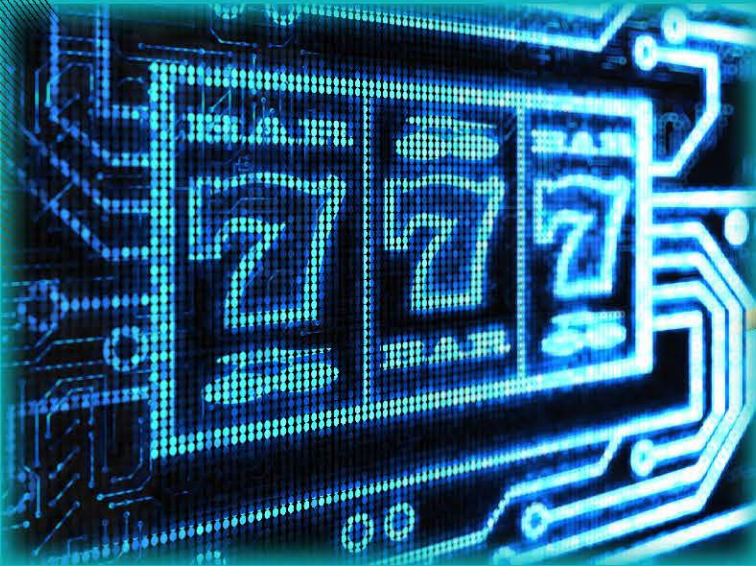


2024 UPDATE

WAGERING IN ILLINOIS



COMMISSION ON GOVERNMENT
FORECASTING AND ACCOUNTABILITY

*Commission on Government
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EXECUTIVE SUMMARY

This report is the Commission's 2024 edition of Wagering in Illinois. This report was originally established in 1992 in accordance with Senate Resolution 875 (87th General Assembly). That report examined the legally-sanctioned forms of wagering as a means of determining their economic impact as well as the potential for further expansion of the gaming industry.

The 2024 edition updates previous releases and provides further analysis of State gaming with the focus on casino gambling, video gaming, the Lottery, horse racing, and the newest gambling format: sports wagering. This edition includes updated information in regard to the implementation of the gaming expansion package included as part of P.A. 101-0031, P.A. 101-0648, and recently introduced P.A. 103-0592. The highlights of the report are shown below.

- In FY 2024, the State's share of tax revenues from wagering in Illinois totaled \$2.088 billion, a 4.8% increase over FY 2023 levels. This surge is in large part due to changes that continue to be implemented by the 2019 gaming expansion package and subsequent trailer bills. The most significant increases have come from the Video Gaming and Sports Wagering industries. Other new projects are expected to expand gaming further including the development of three permanent casinos in Illinois, one of which is to be a 4,000 position Chicago Casino.
- Statewide adjusted gross receipts (AGR) for Illinois casinos increased 13.2% in FY 2024. The AGR increase from \$1.430 billion to \$1.618 billion was largely a result of new casinos beginning operations in Carterville and Chicago. With this growth, the FY 2024 AGR total continued to grow beyond recent pre-pandemic levels and appears to indicate a reversal of the generally downward trend of casino revenues over the past decade.
- Changes to the graduated tax structure imposed on casinos have resulted in less State tax revenue than would have been collected under the previous rate structure. The average effective tax rate fell from 27.3% in FY 2020 to 20.0% in FY 2024. The issuance of hold-harmless credits established under P.A. 101-0031 and P.A. 101-0648 further reduced the Casino Transfer by roughly \$26.9 million. This has resulted in fewer revenues being transferred to the Education Assistance Fund (\$158 million in FY 2024) despite the elevated AGR totals. The overall value of tax revenue growth from the remaining gaming expansion will likely be modest at best when accounting for the cannibalization on existing gaming options and the adverse effect of the modified tax structure on revenues.
- The number of video gaming terminals in operation across Illinois has steadily increased to over 48,000 by the end of FY 2024. Video gaming machines

generated over \$2.933 billion in net terminal income in FY 2024, a 3.9% increase over the FY 2023 total of \$2.821 billion. Approximately \$147 million in tax revenues to local governments were generated in FY 2024, as well as almost \$851 million to the Capital Projects Fund. Despite Chicago not participating, Cook County still has by far the most video gaming terminals of any county with over 8,800 terminals. In regard to municipalities, Springfield had the most terminals (837) and the highest amount of net terminal income (\$50.8 million) in FY 2024.

- The Illinois Lottery continues to be the State's largest source of gaming revenues. In FY 2024, the Illinois Lottery had \$3.858 billion in sales, surpassing the previously recorded high of \$3.610 billion in sales from FY 2023. The largest contributor of sales continues to come from Instant Games, making up 55.5% of the total. Lottery transfers to the Common School Fund reached a new all-time high of \$878 million in FY 2024, surpassing the previous record of \$820 million in FY 2022. Transfers to special causes remained stable between FY 2024 and FY 2023 at \$8.5 million.
- Illinois' horse racing handle slid from \$514 million to \$490 million in CY 2023, a decrease of 4.6%. This latest total is the lowest in over 40 years. The proliferation of advance deposit wagering (ADW) over the last decade has helped soften these declines. The racing industry is hopeful that potential "racinos" at their facilities will help rejuvenate an overall struggling industry, but whether these racinos will open in the future remains unknown.
- Illinois sports wagering generated approximately \$1.1 billion in adjusted gross receipts in FY 2024. At the 15% tax rate, approximately \$190 million in tax revenues was collected with \$20 million resulting from the issuance of a master sports wagering license. It should be noted that in FY 2025, a new graduated tax structure is to take effect and is projected to increase sports wagering annual tax revenues by approximately \$200 million.

OVERVIEW OF GAMING IN ILLINOIS

Over its history, tax revenues generated from gaming related sources in Illinois have seen its share of fluctuation. This is because the State's gaming industry has seen a multitude of changes, especially in recent years. For much of Illinois' history, wagering tax dollars came from three primary sources: riverboat casino gambling, the lottery, and horse racing. However, in 2012, a new gaming format was unveiled in the form of video gaming, which reorganized the landscape of gaming revenues.

Through the enactments of P.A. 101-0031 and P.A. 101-0648, even more gaming opportunities are materializing across the State. This includes an increase in position limits at casinos and video gaming establishments, as well as the implementation of sports wagering in Illinois. Gaming options are expanding even further through the authorization and development of new casinos and possible racetrack casinos in the months and years ahead. The recent enactment of P.A. 103-0592 is expected to further drive video gaming and sports wagering revenues as it increases the tax rates in both wagering categories beginning in FY 2025.

In FY 2024, the trend of sustained moderate growth established in FY 2023 continued. State designated tax revenues grew from \$1.992 billion in FY 2023 to \$2.088 billion in FY 2024 – an increase of 4.8%. This growth has been largely driven by the steady expansion of video gaming, elevated lottery sales, and rapid growth in sports wagering. Although construction continues on new casino projects across Illinois with two new casinos beginning operations in FY 2024, there has yet to be a pronounced impact on State designated revenues due to a number of factors including a reduced tax structure, credits issued, and higher administrative costs. A table displaying a history of State-related revenues from the gaming industry is shown on the following page. Chart 1, on page 3, displays the historical performance and composition of gaming-related "State" revenues in Illinois since 1975.

As illustrated, the majority of State designated tax revenue in FY 2024 came from the lottery, generating \$886 million. However, this top spot is being challenged by video gaming revenues, which brought in \$848 million in State designated tax revenues in FY 2024 – a \$35 million increase over FY 2023. Casino tax revenues transferred to the State's Education Assistance Fund provided \$158 million to the overall total. This figure is almost unchanged from the \$157 million collected in FY 2023. Taxes from sports wagering, in combination with licensing fees, provided the Capital Projects Fund and Rebuild Illinois Projects Fund a total of \$190 million in sports wagering transfers. Horse Racing generated a mere \$6 million in FY 2024.

The totals above include amounts reported by the Comptroller specifically earmarked for "State" sources (such as general funds or amounts transferred into the Capital Projects Fund or Rebuild Illinois Projects Fund) for a particular fiscal year and do not include local government related tax revenues. The details behind these figures come from collection data provided by the State Gaming Board and the Illinois Lottery. Because there is often a lag between collections and receipts, the Comptroller's figures discussed here may not precisely match the collection data totals discussed throughout the remainder of this report. However, the extent of this difference between the two formats should be minimal.

TABLE 1: STATE DESIGNATED TAX REVENUE FROM GAMING RELATED SOURCES
(\$ in Millions)

FISCAL YEAR	LOTTERY ⁽¹⁾	HORSE RACING ⁽²⁾	CASINOS ⁽³⁾⁽⁴⁾	VIDEO GAMING ⁽⁵⁾	SPORTS WAGERING ⁽⁶⁾	TOTAL	PRIOR YEAR % CHANGE
1975	\$55	\$63	\$0	\$0	\$0	\$118	N/A
1976	\$76	\$75	\$0	\$0	\$0	\$151	28.0%
1977	\$44	\$75	\$0	\$0	\$0	\$119	-21.2%
1978	\$34	\$74	\$0	\$0	\$0	\$108	-9.2%
1979	\$33	\$79	\$0	\$0	\$0	\$112	3.7%
1980	\$33	\$70	\$0	\$0	\$0	\$103	-8.0%
1981	\$90	\$73	\$0	\$0	\$0	\$163	58.3%
1982	\$139	\$68	\$0	\$0	\$0	\$207	27.0%
1983	\$216	\$66	\$0	\$0	\$0	\$282	36.2%
1984	\$365	\$65	\$0	\$0	\$0	\$430	52.5%
1985	\$503	\$61	\$0	\$0	\$0	\$564	31.2%
1986	\$552	\$51	\$0	\$0	\$0	\$603	6.9%
1987	\$553	\$57	\$0	\$0	\$0	\$610	1.2%
1988	\$524	\$46	\$0	\$0	\$0	\$570	-6.6%
1989	\$586	\$43	\$0	\$0	\$0	\$629	10.4%
1990	\$594	\$46	\$0	\$0	\$0	\$640	1.7%
1991	\$580	\$46	\$0	\$0	\$0	\$626	-2.2%
1992	\$611	\$45	\$8	\$0	\$0	\$664	6.1%
1993	\$588	\$48	\$54	\$0	\$0	\$690	3.9%
1994	\$552	\$47	\$118	\$0	\$0	\$717	3.9%
1995	\$588	\$45	\$171	\$0	\$0	\$804	12.1%
1996	\$594	\$46	\$205	\$0	\$0	\$845	5.1%
1997	\$590	\$45	\$185	\$0	\$0	\$820	-3.0%
1998	\$560	\$42	\$170	\$0	\$0	\$772	-5.9%
1999	\$540	\$42	\$240	\$0	\$0	\$822	6.5%
2000	\$515	\$13	\$330	\$0	\$0	\$858	4.4%
2001	\$501	\$13	\$460	\$0	\$0	\$974	13.5%
2002	\$555	\$13	\$470	\$0	\$0	\$1,038	6.6%
2003	\$540	\$13	\$554	\$0	\$0	\$1,107	6.6%
2004	\$570	\$13	\$661	\$0	\$0	\$1,244	12.4%
2005	\$614	\$12	\$699	\$0	\$0	\$1,325	6.5%
2006	\$674	\$11	\$689	\$0	\$0	\$1,374	3.7%
2007	\$627	\$9	\$685	\$0	\$0	\$1,321	-3.9%
2008	\$662	\$9	\$564	\$0	\$0	\$1,235	-6.5%
2009	\$630	\$7	\$430	\$0	\$0	\$1,067	-13.6%
2010	\$629	\$7	\$383	\$0	\$0	\$1,019	-4.5%
2011	\$723	\$7	\$324	\$0	\$0	\$1,054	3.4%
2012	\$708	\$8	\$340	\$0	\$0	\$1,056	0.2%
2013	\$794	\$7	\$345	\$24	\$0	\$1,170	10.8%
2014	\$815	\$7	\$321	\$114	\$0	\$1,258	7.5%
2015	\$690	\$7	\$292	\$196	\$0	\$1,184	-5.8%
2016	\$680	\$6	\$277	\$252	\$0	\$1,215	2.6%
2017	\$738	\$6	\$270	\$296	\$0	\$1,310	7.9%
2018	\$732	\$6	\$272	\$347	\$0	\$1,356	3.5%
2019	\$735	\$6	\$269	\$395	\$0	\$1,404	3.5%
2020	\$656	\$6	\$195	\$376	\$7	\$1,240	-11.7%
2021	\$786	\$7	\$0	\$499	\$66	\$1,358	9.5%
2022	\$833	\$7	\$150	\$762	\$142	\$1,895	39.5%
2023	\$872	\$6	\$157	\$814	\$143	\$1,992	5.1%
2024	\$886	\$6	\$158	\$848	\$190	\$2,088	4.8%

(1) Figures represent all Lottery Transfers with the vast majority going into the Common School Fund. Also included are revenues from "special causes" games and revenues transferred into the Capital Projects Fund.

(2) Figures equal State revenue generated, not allocated.

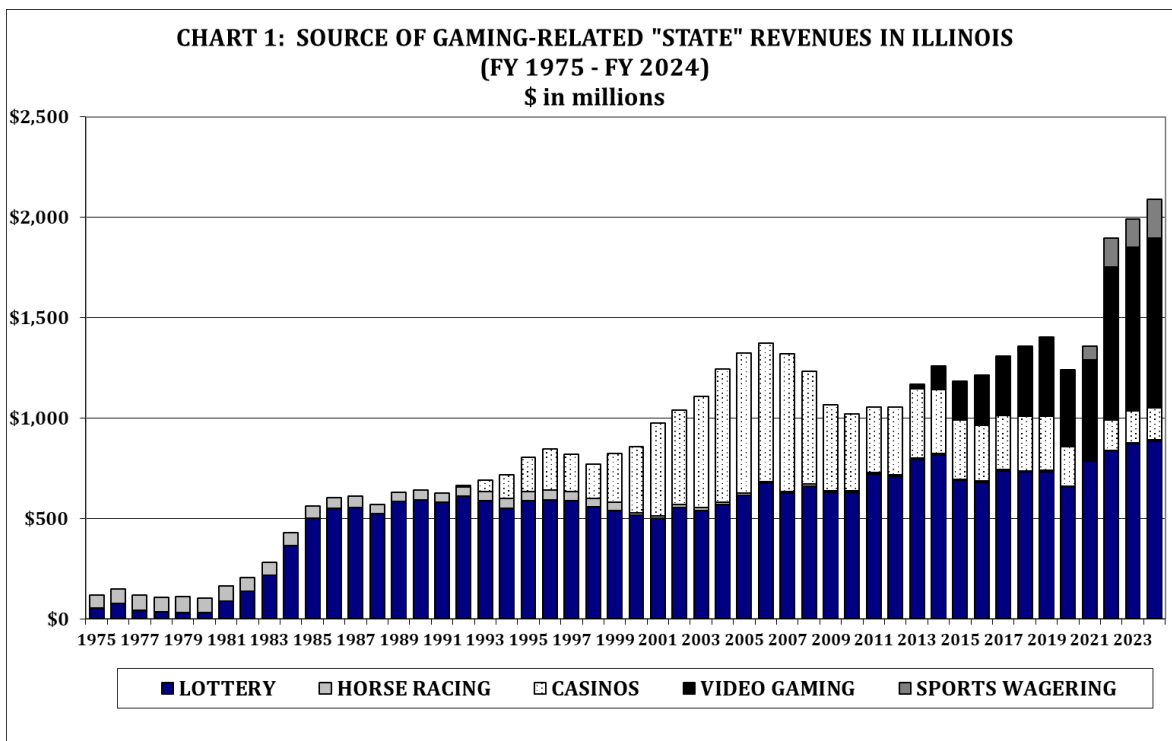
(3) Figures represent appropriations (FY 1992-FY 1995) and transfers (FY 1996-FY 2021) into the Education Assistance Fund and revenues deposited into the Common School Fund. It does not include revenues distributed to local governments or statutory distributions of revenues from the Des Plaines Casino. Due to pandemic related disruptions affecting casino tax revenues, a reduced tax structure, and the fulfillment of required tax revenue distributions in both FY 2020 and FY 2021, \$0 was transferred into the Education Assistance Fund in FY 2021.

(4) In August of FY 2022, Illinois casinos recorded the maximum possible transfer of \$22.5 million in a given month to the Education Assistance Fund. Therefore, in accordance with P.A. 102-0016, an excess of almost \$10 million was transferred to the Capital Projects Fund. This figure is included in the Casino column.

(5) Figures include revenues paid into the Capital Projects Fund. It does not include the portion paid to local governments. This figure does not match the Gaming Board's fiscal year totals due to an approximate one-month lag between reported activity and receipts.

(6) Figures include sports wagering taxes and fees transferred from the Sports Wagering Fund into the Capital Projects Fund and the Rebuild Illinois Projects Fund.

Sources: Comptroller's Office, Illinois Department of Revenue, Illinois Gaming Board, and Illinois Racing Board.



As the above chart shows, in the early years of legalized wagering, horse racing was the primary source of gambling in Illinois. But in the 1980s, the lottery emerged as the top revenue producer of wagering revenues. FY 2003 was the first of five consecutive years that casino revenues topped the lottery as the largest source of gaming-related revenues. However, eventual declines in riverboat casino transfers, coupled with modest lottery growth, again placed lottery as the largest contributor of gaming revenues in Illinois.

In FY 2024, lottery transfers remained the largest generator of gaming tax revenues, comprising 42.4% of the revenue total. However, this percentage has steadily declined from 64.8% just a decade ago. Video gaming revenue’s composition has increased significantly over the last decade and now represents 40.6% of the revenue total. Casino transfers fell slightly to 7.5% in FY 2024. In just its fourth full year, sports wagering has quickly increased its composition to 9.1%. Horse racing revenues continued to comprise a relatively insignificant 0.3%.

Table 2, on the following page, displays the differences between the lottery, horse racing, casino gambling, video gaming, and sports wagering in terms of State revenue, gaming hold, and per capita spending. The gaming hold is equal to the difference between the total wagered and the amount paid to winners. For casinos and sports wagering, this is labeled as adjusted gross receipts (AGR). For video gaming, this is net terminal income (NTI). The gaming industry’s FY 2024 estimated gaming hold total of approximately \$7.042 billion is 7.4% higher than the FY 2023 value. Due to the emergence of video gaming and sports wagering, the per-capita amount estimated to be spent on gaming in Illinois has increased from \$325 to \$560 over the last five fiscal years.

**TABLE 2: THE STATUS OF ILLINOIS GAMING
BASED ON STATE REVENUE, GAMING HOLD, AND PER CAPITA SPENDING
{Revenue Totals and Gaming Hold Values in millions}**

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023*	FY 2024*
LOTTERY							
Lottery Transfers	\$731.7	\$734.6	\$656.1	\$785.9	\$833.3	\$872.4	\$886.0
Gaming Hold or Sales less Payouts	\$1,017.4	\$1,070.2	\$1,002.1	\$1,120.6	\$1,183.4	\$1,245.2	\$1,278.2
% Change in Gaming Hold	-0.8%	5.2%	-6.4%	11.8%	5.6%	5.2%	2.7%
**Per Capita Spending	\$80	\$84	\$79	\$88	\$93	\$99	\$102
% Change in Per Capita Spending	-0.3%	5.5%	-6.2%	10.8%	6.4%	6.1%	2.7%
HORSE RACING							
State Revenue	\$5.7	\$5.7	\$5.5	\$6.9	\$6.9	\$6.3	\$6.4
Gaming Hold or Handle less Payouts	\$127.9	\$124.1	\$119.9	\$133.7	\$114.6	\$112.9	\$109.3
% Change in Gaming Hold	-2.2%	-2.9%	-3.4%	11.5%	-14.2%	-1.6%	-3.1%
**Per Capita Spending	\$10	\$10	\$9	\$10	\$9	\$9	\$9
% Change in Per Capita Spending	-1.8%	-2.6%	-3.2%	10.5%	-13.6%	-0.7%	-3.1%
CASINOS							
Amount to Ed. Assist. Fund	\$271.9	\$268.6	\$195.2	\$0.0	\$150.2	\$157.3	\$157.5
Gaming Hold or AGR	\$1,386.7	\$1,347.1	\$942.7	\$897.3	\$1,307.5	\$1,429.5	\$1,618.2
% Change in Gaming Hold	-1.3%	-2.9%	-30.0%	-4.8%	45.7%	9.3%	13.2%
**Per Capita Spending	\$109	\$106	\$74	\$70	\$103	\$114	\$129
% Change in Per Capita Spending	-0.9%	-2.5%	-29.9%	-5.7%	46.9%	10.2%	13.2%
VIDEO GAMING							
Amount to Cap. Projects Fund	\$347.2	\$394.7	\$376.2	\$499.1	\$762.4	\$813.7	\$848.3
Gaming Hold or NTI	\$1,406.5	\$1,592.5	\$1,222.6	\$1,934.0	\$2,632.4	\$2,821.1	\$2,932.5
% Change in Gaming Hold	17.0%	13.2%	-23.2%	58.2%	36.1%	7.2%	3.9%
**Per Capita Spending	\$110	\$125	\$96	\$151	\$207	\$224	\$233
% Change in Per Capita Spending	17.6%	13.6%	-23.1%	56.8%	37.2%	8.1%	3.9%
SPORTS WAGERING							
Amount to Cap. Projects Fund				\$66.2	\$142.0	\$142.6	\$190.0
Gaming Hold or AGR				\$380.1	\$611.3	\$948.6	\$1,103.7
% Change in Gaming Hold				N/A	60.8%	55.2%	16.4%
**Per Capita Spending				\$30	\$48	\$75	\$88
% Change in Per Capita Spending				N/A	62.1%	56.5%	16.4%
ALL WAGERING							
Total Revenue	\$1,356.4	\$1,403.7	\$1,233.0	\$1,358.0	\$1,894.7	\$1,992.3	\$2,088.2
Gaming Hold	\$3,938.5	\$4,133.9	\$3,287.3	\$4,465.7	\$5,849.3	\$6,557.2	\$7,041.9
% Change in Gaming Hold	4.6%	5.0%	-20.5%	35.8%	31.0%	12.1%	7.4%
**Per Capita Spending	\$309	\$325	\$259	\$349	\$461	\$521	\$560
% Change in Per Capita Spending	5.1%	5.3%	-20.3%	34.6%	32.0%	13.0%	7.4%
*The Gaming Hold figures for horse racing (FY 2023 and FY 2024) and lottery (FY 2024) are estimates.							
** Per capita spending equals gaming hold divided by population.							
Note: There are minor differences between the numbers shown above and numbers shown later in the report due to a timing lag between figures based on actual receipts (as shown in table above) and figures based on monthly reports (as shown later in report).							
Sources: Illinois Racing Board, Illinois Department of Revenue, Illinois Gaming Board, Census Bureau							

The revenue totals and composition percentages discussed in the previous tables will continue to evolve over the next several years due to the enactment of P.A. 101-0031, which became effective in June 2019. This was followed up by P.A. 101-0648 in June 2020 to modify some of those initial changes. Among the changes set forth by these Acts are the authorization of six new casinos in Illinois, including a 4,000 position Chicago Casino; racinos at Illinois' horse tracks; increased positions at casinos; increased betting and terminal limits at video gaming establishments; and the authorization of sports wagering in Illinois. Some of these changes have already been implemented (increased positions, video gaming changes, sports wagering, and three new casinos have constructed permanent locations), while others remain in various stages of development (transitioning from temporary to permanent casino facilities, building a permanent casino location, and potentially constructing new racinos).

Proponents are hopeful that these gaming changes will help revitalize areas that have seen their share of struggles in recent years. Between FY 2013 and FY 2021, the combined AGR totals of the ten operating casinos decreased for nine consecutive fiscal years. This includes a 30.0% decline in FY 2020, followed by a 4.8% drop in FY

2021. The severity of these declines can be attributed to the pandemic-related suspension of gaming operations for portions of 2020 and 2021. Casino revenues did improve significantly in FY 2022 and continued to climb in FY 2023. While casino AGR did increase 13.2% in FY 2024, this led to only a 0.1% improvement in related distributions to the State's General Funds. This discrepancy is because of the reduced tax structure and the issuance of hold-harmless tax credits implemented by P.A. 101-0031 and P.A. 101-0648. Additionally, increased administrative costs reduced the amount of funds available for transfer.

The Rivers Casino in Des Plaines continues to be, by far, Illinois' most successful casino in terms of revenues generated. While the other Illinois casinos have experienced double digit rates of declines over the last decade, Rivers has seen significant growth. Its FY 2024 total of \$527 million is over three times higher than the next highest revenue producer, Elgin Grand Victoria (\$146 million AGR in FY 2024). Rivers was the first casino to purchase additional gaming positions, which allows them to have more games to choose from to compete with the abundance of gaming options that exist and will be introduced in the Chicago metropolitan region. In FY 2024 Bally's Casino in Chicago also purchased additional gaming positions, but these are to be implemented at the permanent facility, which is not yet in operation.

The Casino section of this report includes a detailed look at the revenue performance of Illinois' casinos, as well as the revenue returns of other casinos throughout the Midwest, and discusses how these results compare. Included in this section is an update on the pending changes to the gaming industry (including the various statuses of casinos in Rockford, the south suburbs of Chicago, Waukegan, Danville, Williamson County, and Chicago), as well as a discussion of how these new options could impact gaming and tax revenues in the near future.

The opening of additional casinos provides an abundance of new gaming opportunities for gamblers in Illinois. However, there are concerns of oversaturation. This is because some would argue that gaming expansion has already occurred in Illinois due to the proliferation of video gaming across the state. By the end of FY 2024, the number of video gaming terminals in operation across Illinois has grown to over 48,000, the equivalent of over 40 "full-size" Illinois casinos (prior to P.A. 101-0031, Illinois casino were maxed out at 1,200 positions).

P.A. 101-0031's allowance of increased terminal limits has resulted in substantial growth. Over the last couple of years, video gaming net terminal income totals have climbed steadily from \$2.632 billion in FY 2022 to \$2.821 billion in FY 2023. In FY 2024, net terminal income grew to \$2.933 billion. These elevated totals, in combination with the FY 2024 tax rate of 34%, resulted in \$997 million in tax revenues for state and local governments in FY 2024. Beginning in FY 2025, the video gaming tax rate will rise 1% to a total of 35%, which should bring in more tax revenues. The details of these numbers and other pertinent information related to this revenue source are provided in the Video Gaming section of the report.

The largest amount of revenues from gaming-related sources continues to come from the State's lottery program. In FY 2024, lottery sales continued to grow, reaching a tally of \$3.858 billion – a new record high. This total marks a 6.9% increase from FY 2023 lottery sales of \$3.610 billion.

With this growth in sales, transfers out of the lottery have also grown. In FY 2024, total transfers grew from \$872 million to \$886 million. In FY 2023, there was a \$138 million transfer made to the Capital Projects Fund as part of the reconciliation process, which was initiated due to overpayment to the Common School Fund in previous fiscal years. In FY 2024, no transfer was made to the Capital Projects Fund. As a result, all non-special cause funds were directed to the Common School Fund - amounting to an increase from \$726 million to \$878 million. Transfers to special cause funds were unchanged between FY 2023 and FY 2024 at \$8.5 million.

As the popularity of some gaming sources has grown in recent years, the opposite has been the case for the horse racing industry. The amount wagered on Illinois horse racing (the handle) in CY 2023 was \$490 million, which is the lowest total in over 40 years. The CY 2023 racing handle is a 4.6% decline from the \$514 million CY 2022 handle. The racing industry is hopeful that racing revenues will be augmented by P.A. 101-0031's authorization of racinos and sports wagering at racing facilities. While the timing of when or if racinos will open at Hawthorne and Fairmount remains in question, the racing industry is hoping that the potential racinos will allow for more substantial purses in horse racing events, thereby incentivizing revenue growth. The expansion of gaming options to racetracks, though, will not include Arlington Park, which ceased live racing at their facility in September 2021. Details regarding the impact of racinos at racetracks across the country, as well as other information related to Illinois racing industry are provided in the Horse Racing section.

The authorization of sports wagering in Illinois has created another significant revenue source for the State of Illinois. After generating an AGR of \$949 million in FY 2023, the AGR total climbed to \$1.113 billion in FY 2024. Given the FY 2024 flat 15% tax on AGR total, the State collected \$166 million from AGR taxation. An additional \$21 million was collected from license fees. The vast majority of these tax revenues and fees are earmarked for the Capital Projects Fund and the Rebuild Illinois Projects Fund. The sport of basketball generated the most wagering activity of non-parlay bets, followed by football and baseball. The industry is expected to continue to grow due to the development of additional sportsbooks at other casinos, sports arenas, horse racing facilities, and via online operators. Beginning in FY 2025, P.A. 103-0592 will establish a graduated tax structure instead of the flat 15% tax rate in FY 2024. This new tax structure is expected to substantially raise sports wagering tax revenues with a notable portion of the proceeds to be transferred to the State's General Funds. Detailed tables and graphs summarizing Illinois' sports wagering statistics are provided in the Sports Wagering section.

After looking at each of Illinois' gaming sources individually, the report concludes with a brief look at miscellaneous gaming sources in Illinois including bingo, pull-tabs, and charitable games.

CASINO GAMBLING

CASINO GAMBLING

Illinois became the second state to legalize riverboat casinos in February 1990 with the passage of the Riverboat Gambling Act (Public Act 86-1029). The State receives revenue from licensed casinos through license fees, wagering taxes, and admission taxes. The wagering tax (or privilege tax) is based on the adjusted gross receipts (AGR) of a casino, while the admission tax is based on the number of patrons visiting the facility.

Because of this tax structure, adjusted gross receipts and admissions figures are the principal components that determine the amount of tax revenue collected by the State each year. While the State receives the majority of the revenue from casino taxes, a portion of the wagering tax and the admissions tax is distributed to the county and municipality where the casino is located.

The Riverboat Gambling Act (now the Illinois Gambling Act) set the original wagering tax at an amount equal to 20 percent of a licensee's annual adjusted gross receipts. At that time, it authorized ten riverboat casino licenses, and specified that each licensee may operate two riverboat casinos at a single-specified location. Since the State's first riverboat casino – the Alton Belle – was launched on September 11, 1991, Illinois has experienced several major changes to the casino industry. Past changes include: the closure of the Silver Eagle in 1997; the creation of the graduated tax structure in 1998; the approval of dockside gambling in 1999; the addition of the Rivers Casino in Des Plaines in 2011, and multiple changes to the wagering and admission tax rate structure.

The tax structure was once again altered in FY 2021 as part of P.A. 101-0031 and P.A. 101-0648. Details of this structure modification, as well as a summary of the numerous other changes provided by these Acts are included in this section. This includes the authorization of several new casino licenses, some of which could commence gaming operations in Illinois in the near future.

Also included in this section is a synopsis of Illinois' FY 2024 casino statistics and how these numbers compare to past years and to other gaming states across the country. The section includes an update on the major components of P.A. 101-0031 and P.A. 101-0648. This section concludes with a discussion on how the expansion of gaming in Illinois could impact individual locations and overall tax revenues.

Changes to the Casino Industry

In June 2019, P.A. 101-0031 was enacted, creating numerous changes to Illinois' gaming industry. In June 2020, P.A. 101-0648 was enacted, modifying some of those changes. The highlights of these Acts, as they relate to the casino industry, are laid out below, along with any changes to these Acts.

- **Six New Casinos.** P.A. 101-0031 authorizes the issuance of six additional licenses to conduct casino operations in Illinois. These shall be located in the following locations:
 - 1) In the City of Chicago
 - 2) In the City of Danville.
 - 3) In the City of Waukegan.
 - 4) In the City of Rockford.
 - 5) In the South Suburbs of Cook County.
 - 6) In an unincorporated area of Williamson County.

An owner's licensee of the Chicago casino can have up to 4,000 gaming positions. All other owners' licensees shall limit the number of gaming positions to 2,000 (except for Williamson County, which would be limited to 1,200 gaming positions).

- **New Racinos.** P.A. 101-0031 authorizes both electronic gaming and table games at Illinois racetracks (racinos). The gaming positions at the racinos shall be allocated as follows:
 - 1) up to 1,200 gaming positions for any electronic gaming licensee in Cook County (Arlington, Hawthorne);
 - 2) up to 900 gaming positions for any electronic gaming licensee outside of Cook County (Fairmount).
 - 3) In addition, the Board shall issue an organization license limited to Standardbred racing to a racetrack located in Cook County. If established, this location could have 1,200 gaming positions, and the ability to offer internet wagering on horse racing.
- **Existing Casino Position Increase.** Casinos already in operation shall also see their gaming position limit increased from 1,200 to 2,000 positions. The initial fee for each gaming position obtained on or after the effective date of this amendatory Act shall range from \$17,500 to \$30,000 per position (depending on location). These fees are to be deposited into the Rebuild Illinois Projects Fund.
- **Location Options.**
 - **Land-Based Option.** An owners licensee may conduct land-based gambling operations upon approval by the Board and payment of a fee of \$250,000, which shall be deposited into the State Gaming Fund.
 - **Gaming at Airports.** The Chicago casino may conduct gaming operations at O'Hare and/or Midway. The combined number of gaming positions operating in the City of Chicago at the airports and at the temporary and permanent casino facility may not exceed the maximum number of gaming positions authorized.
 - **Temporary Facilities.** New casinos and racinos 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 for up to 24 months after the temporary facility begins to conduct

gaming. This timeframe may be extended up to 12 months upon approval of the Board.

- **Admission Tax for Racinos.** P.A. 101-0031 provides that the admission tax for racinos shall be at the rate of \$3 per person. Of this amount, \$1 would go to various local governments that host the gaming licensee. The remaining \$2 in tax shall be transferred into the Capital Projects Fund.
- **Revised Privilege Tax Structure.** P.A. 101-0031 modifies the privilege tax structure to be imposed on the casinos and the racinos. It is shown below. Under P.A. 101-0031, this revised tax structure begins on the first day that a new casino conducts gambling operations, either in a temporary facility or a permanent facility. However, P.A. 101-0648 modified the language to provide that this revised privilege tax rate structure imposed on all casinos other than the Chicago Casino.

Adjusted Gross Receipts	Rates Prior to P.A. 101-0031	Modified Gaming Tax on Table Games	Modified Gaming Tax on Electronic Gaming Devices
Up to \$25M	15.0%	15.0%	15.0%
\$25M to \$50M	22.5%	20.0%	22.5%
\$50M to \$75M	27.5%	20.0%	27.5%
\$75M to \$100M	32.5%	20.0%	32.5%
\$100M to \$150M	37.5%	20.0%	37.5%
\$150M to \$200M	45.0%	20.0%	45.0%
Over \$200M	50.0%	20.0%	50.0%

Potential tax revenues generated by the privilege tax may be offset or reduced by certain provisions in P.A. 101-0031, including a modified taxable base for the East St. Louis Casino, renovation tax credits, hold harmless provisions, the removal of certain vouchers in the AGR calculation, and the creation of multiple revenue distributions.

- **Chicago Casino Privilege Tax Structure.** P.A. 101-0648 eliminates the additional tax created by P.A. 101-0031 that was equal to 1/3 of the Chicago casino’s AGR and provides a new privilege tax rate structure to be imposed on the Chicago Casino. Similar to the revised tax structure imposed on all non-Chicago casinos, the enacted Chicago Casino privilege tax has a separate tax structure for table games and slot machines. However, the rates imposed will be different. The Chicago Casino tax rate structure is as follows:

CHICAGO CASINO PRIVILEGE TAX STRUCTURE (P.A. 101-0648)						
AGR Range	Electronic Gaming Device Tax			Table Game Tax		
	State Tax	Chicago Tax	Total Tax	State Tax	Chicago Tax	Total Tax
< \$25 million	12.0%	10.5%	22.5%	8.1%	6.9%	15.0%
\$25M to \$50M	16.0%	14.0%	30.0%	10.7%	9.3%	20.0%
\$50M to \$75M	20.1%	17.4%	37.5%	10.7%	9.3%	20.0%
\$75M to \$100M	21.4%	18.6%	40.0%	11.2%	9.8%	21.0%
\$100M to \$150M	22.7%	19.8%	42.5%	11.2%	9.8%	21.0%
\$150M to \$175M	24.1%	20.9%	45.0%	11.2%	9.8%	21.0%
\$175M to \$225M	24.1%	20.9%	45.0%	13.5%	11.5%	25.0%
\$225M to \$275M	26.8%	23.2%	50.0%	15.1%	12.9%	28.0%
\$275M to \$375M	26.8%	23.2%	50.0%	16.2%	13.8%	30.0%
\$375M to \$1.0B	26.8%	23.2%	50.0%	18.9%	16.1%	35.0%
AGR > \$1.0B	40.0%	34.7%	74.7%	18.9%	16.1%	35.0%

- **Distribution of Chicago Casino Tax Revenues.** Distribution language is created under P.A. 101-0648 to provide that of the tax revenue generated from the Chicago Casino's privilege tax that is to be paid to the City of Chicago, an amount equal to 0.5% of the annual AGR generated by the Chicago Casino, shall be distributed to Cook County for the purpose of enhancing the criminal justice system. The balance is to be distributed to the City of Chicago and shall be expended or obligated by the City for pension payments.
- **One-Time Revenue Sources.** The following one-time revenues were established to be collected under P.A. 101-0031 and deposited into the Rebuild Illinois Projects Fund.
 - **Bidding for New Licenses.** Owners licenses newly authorized may be issued by the Board to a qualified applicant pursuant to an open and competitive bidding process.
 - **License Fees.** Each new casino and racino must pay a fee for the issuance or renewal of a license in the amount of \$250,000. Each location must also pay an initial fee ranging from \$17,500 to \$30,000 per gaming position.
 - **Reconciliation Payments.** P.A. 101-0031 provides for several types of reconciliation payments that would be collected at various times of the implementation process. This includes a \$15 million payment at the time of issuance as well as future payments equal to 75% of the AGR for the most lucrative 12-month period of operations minus certain upfront fees paid.

Under P.A. 101-0031, these reconciliation payments were to be paid within two years after casinos were in operations. P.A. 101-0648 provides that the reconciliation payment installments can now be made over a period of no more than six years.

- **Licensing Process.** P.A. 101-0648 provides that if at any point after June 1, 2020 there are no pending applications for a gaming license and not all licenses authorized have been issued, then the Gaming Board shall reopen the license application process for those licenses that have not been issued. The Gaming Board shall follow the licensing process previously laid out with all time frames tied to the last date for issuing a license rather than the effective date of the amendatory Act.
- **Position Fee Payment Date Change.** P.A. 101-0648 provides that a casino that obtains additional gaming positions after June 28, 2019 shall pay a fee for these positions by July 1, 2021. Under P.A. 0031, the deadline for date of payment was to be July 1, 2020. [In effect, casinos may operate additional positions for two years before the additional fee is due].
- **State Gaming Fund Transfer Change.** P.A. 102-0016 provides that, beginning on July 1, 2021, the Gaming Board shall transfer \$22.5 million, along with any deficiencies in such amounts from prior months, from the State Gaming Fund to the Education Assistance Fund; then the Board shall transfer the remainder of the funds, if any, from the State Gaming Fund to the Capital Projects Fund. This means that the Gaming Fund Transfer to the State's General Funds would be maxed out at \$270 million per year if/when there are sufficient tax revenues to reach this limit.

Data Analysis

The tables below and on the following page provide a summary of the performance of each of the State's eleven active casino licenses during FY 2019 through FY 2024 based on adjusted gross receipts, admissions, and State, local, and total revenue generated. The information comes from the Illinois Gaming Board's *Monthly Casino Gambling Report(s)*. The impact of the suspension of operations due to the COVID-19 virus is clearly seen in the FY 2020 and FY 2021 figures.

TABLE 3: ILLINOIS CASINO ADJUSTED GROSS RECEIPTS (FY 2019-2024)							
(\$ in millions)							
	FY 2019	FY 2020*	FY 2021**	FY 2022	FY 2023	FY 2024	
Alton	\$40.0	\$30.1	\$23.9	\$32.6	\$33.0	\$34.3	
Aurora	\$115.1	\$77.7	\$71.5	\$102.7	\$99.1	\$96.0	
Carterville	-	-	-	-	-	\$26.1	
Chicago	-	-	-	-	-	\$93.2	
Danville	-	-	-	-	\$2.4	\$38.5	
Des Plaines	\$440.1	\$321.2	\$340.2	\$503.1	\$557.6	\$526.7	
East Peoria	\$74.5	\$48.7	\$48.3	\$61.5	\$63.1	\$61.9	
East St. Louis	\$94.3	\$67.2	\$54.9	\$78.7	\$80.3	\$81.7	
Elgin	\$157.2	\$107.6	\$107.1	\$155.1	\$153.4	\$146.3	
Joliet Harrah's	\$175.2	\$116.3	\$107.2	\$141.7	\$133.7	\$128.5	
Joliet Hollywood	\$115.2	\$79.1	\$64.3	\$88.0	\$90.4	\$90.5	
Metropolis	\$68.7	\$50.8	\$48.5	\$60.9	\$65.1	\$61.1	
Rock Island	\$66.7	\$43.9	\$31.5	\$49.2	\$58.4	\$61.2	
Rockford	-	-	-	\$34.0	\$62.8	\$72.9	
Waukegan	-	-	-	-	\$30.1	\$99.4	
TOTAL	\$1,347.1	\$942.7	\$897.3	\$1,307.5	\$1,429.5	\$1,618.2	
% CHANGE	-2.9%	-30.0%	-4.8%	45.7%	9.3%	13.2%	

TABLE 4: ILLINOIS CASINO ADMISSIONS (FY 2019-2024)							
	FY 2019	FY 2020*	FY 2021**	FY 2022	FY 2023	FY 2024	
Alton	407,886	301,731	284,977	420,104	403,671	421,929	
Aurora	924,555	636,257	511,462	842,612	853,451	842,326	
Carterville	-	-	-	-	-	250,490	
Chicago	-	-	-	-	-	1,012,889	
Danville	-	-	-	-	36,591	358,210	
Des Plaines	2,945,397	2,079,184	1,689,278	2,614,641	3,033,804	3,090,079	
East Peoria	721,444	480,095	353,952	447,773	440,282	434,838	
East St. Louis	928,944	697,294	510,937	768,673	824,807	841,270	
Elgin	1,150,227	799,024	597,941	921,004	932,913	946,209	
Joliet Harrah's	1,241,286	853,823	594,674	758,108	729,476	725,166	
Joliet Hollywood	929,855	643,872	487,812	689,403	669,914	676,294	
Metropolis	443,686	343,620	338,037	402,853	422,946	417,622	
Rock Island	857,142	590,216	325,939	574,307	711,739	712,118	
Rockford	-	-	-	281,794	562,244	629,334	
Waukegan	-	-	-	-	280,428	761,732	
TOTAL	10,550,422	7,425,116	5,695,009	8,721,272	9,902,266	12,120,506	
% CHANGE	-5.9%	-29.6%	-23.3%	53.1%	13.5%	22.4%	

TABLE 5: TOTAL REVENUE GENERATED FROM ILLINOIS CASINOS (FY 2019-2024)							
(\$ in millions)							
	FY 2019	FY 2020*	FY 2021**	FY 2022	FY 2023	FY 2024	
Alton	\$8.9	\$6.5	\$4.4	\$6.5	\$6.4	\$6.9	
Aurora	\$33.0	\$23.5	\$14.2	\$23.8	\$23.0	\$22.3	
Carterville	-	-	-	-	-	\$4.7	
Chicago	-	-	-	-	-	\$22.3	
Danville	-	-	-	-	\$0.5	\$6.8	
Des Plaines	\$194.5	\$143.0	\$92.0	\$162.4	\$185.9	\$176.5	
East Peoria	\$18.4	\$12.6	\$8.3	\$12.4	\$12.7	\$12.6	
East St. Louis	\$25.5	\$19.7	\$10.4	\$17.2	\$18.0	\$18.5	
Elgin	\$50.3	\$35.9	\$22.9	\$39.9	\$40.2	\$38.4	
Joliet Harrah's	\$58.5	\$40.7	\$23.5	\$36.4	\$34.9	\$33.4	
Joliet Hollywood	\$33.2	\$24.0	\$12.9	\$20.2	\$21.0	\$21.4	
Metropolis	\$16.0	\$12.4	\$8.5	\$12.0	\$13.2	\$12.5	
Rock Island	\$15.7	\$11.1	\$5.4	\$9.6	\$12.5	\$13.5	
Rockford	-	-	-	\$6.0	\$14.1	\$16.7	
Waukegan	-	-	-	-	\$5.4	\$21.8	
TOTAL	\$454.0	\$329.2	\$202.4	\$346.2	\$387.8	\$428.2	
% CHANGE	-3.3%	-27.5%	-38.5%	71.0%	12.0%	10.4%	

* Due to the COVID-19 pandemic, gaming operations were suspended from March 16, 2020 thru June 30, 2020.

** Due to the COVID-19 pandemic, gaming operations were suspended from November 19, 2020 thru January 14, 2021.

Source: Illinois Gaming Board

**TABLE 6: STATE REVENUE GENERATED FROM ILLINOIS CASINOS
(FY 2019-2024)**
(\$ in millions)

	FY 2019	FY 2020*	FY 2021**	FY 2022	FY 2023	FY 2024
Alton	\$6.5	\$4.7	\$3.0	\$4.4	\$4.4	\$4.7
Aurora	\$26.3	\$19.0	\$10.1	\$17.8	\$17.2	\$16.6
Cartersville	-	-	-	-	-	\$3.1
Chicago	-	-	-	-	-	\$12.3
Danville	-	-	-	-	\$0.3	\$4.6
Des Plaines	\$169.6	\$124.8	\$73.3	\$134.7	\$155.0	\$147.0
East Peoria	\$14.0	\$9.7	\$5.5	\$8.9	\$9.1	\$9.1
East St. Louis	\$19.8	\$15.6	\$7.1	\$12.4	\$13.2	\$13.6
Elgin	\$41.2	\$29.7	\$16.9	\$31.2	\$31.6	\$30.1
Joliet Harrah's	\$48.5	\$34.0	\$17.5	\$28.5	\$27.5	\$26.2
Joliet Hollywood	\$26.5	\$19.4	\$9.2	\$15.1	\$15.8	\$16.2
Metropolis	\$12.1	\$9.5	\$5.8	\$8.6	\$9.6	\$9.0
Rock Island	\$11.6	\$8.3	\$3.5	\$6.6	\$8.8	\$9.7
Rockford	-	-	-	\$4.0	\$10.4	\$12.5
Waukegan	-	-	-	-	\$3.6	\$16.1
TOTAL	\$376.1	\$274.6	\$151.9	\$272.1	\$306.4	\$330.9
% CHANGE	-3.3%	-27.0%	-44.7%	79.2%	12.6%	8.0%
Des Plaines Distributions***:	(\$77.0)	(\$57.8)	(\$92.8)	(\$80.1)	(\$82.5)	(\$86.5)
Total after Distributions:	\$299.0	\$216.8	\$59.1	\$192.0	\$223.9	\$244.3
% CHANGE	-4.1%	-27.5%	-72.7%	224.7%	16.6%	9.1%

* Due to the COVID-19 pandemic, gaming operations were suspended from March 16, 2020 thru June 30, 2020.

** Due to the COVID-19 pandemic, gaming operations were suspended from November 19, 2020 thru January 14, 2021.

*** Under current law, Chicago St. U. is to receive \$3.0M and the School Infrastructure Fund [SIF] \$66.4M annually from the Des Plaines Casino tax revenue deposited into the State Gaming Fund. In addition, the Cook County Criminal Justice System is to receive 2% of Des Plaines' AGR. Due to COVID-19, only \$50.0M of the \$66.4M was sent to the SIF in FY 2020. This shortage was made up in FY 2021 resulting in the SIF receiving \$83.0M in FY 2021.

Note: State revenues remaining after the Des Plaines statutory distributions are first used to pay for administrative expenses of the Gaming Board. P.A. 102-0016 provided that, beginning in July 2021, each month the first \$22.5M of any remaining funds are to be transferred to the Education Assistance Fund [EAF], commonly referred to as the "State Gaming Fund Transfer". If any funds still remain after this monthly transfer, the remainder shall be transferred to the Capital Projects Fund. Due to the impacts of the pandemic, the State tax revenues collected in FY 2020 and FY 2021 were not sufficient to fully pay for the above required payments, thereby resulting in \$0 for the EAF in FY 2021.

Source: Illinois Gaming Board

**TABLE 7: LOCAL REVENUE GENERATED FROM ILLINOIS CASINOS
(FY 2019-2024)**
(\$ in millions)

	FY 2019	FY 2020*	FY 2021**	FY 2022	FY 2023	FY 2024
Alton	\$2.4	\$1.8	\$1.5	\$2.1	\$2.1	\$2.1
Aurora	\$6.7	\$4.5	\$4.1	\$6.0	\$5.8	\$5.6
Cartersville	-	-	-	-	-	\$1.6
Chicago	-	-	-	-	-	\$9.9
Danville	-	-	-	-	\$0.2	\$2.3
Des Plaines	\$24.9	\$18.1	\$18.7	\$27.8	\$30.9	\$29.4
East Peoria	\$4.4	\$2.9	\$2.8	\$3.5	\$3.6	\$3.5
East St. Louis	\$5.6	\$4.1	\$3.3	\$4.7	\$4.8	\$4.9
Elgin	\$9.0	\$6.2	\$6.0	\$8.7	\$8.6	\$8.3
Joliet Harrah's	\$10.0	\$6.7	\$5.9	\$7.8	\$7.4	\$7.2
Joliet Hollywood	\$6.7	\$4.6	\$3.7	\$5.1	\$5.2	\$5.2
Metropolis	\$3.9	\$2.9	\$2.8	\$3.4	\$3.7	\$3.5
Rock Island	\$4.2	\$2.8	\$1.9	\$3.0	\$3.6	\$3.8
Rockford	-	-	-	\$2.0	\$3.7	\$4.3
Waukegan	-	-	-	-	\$1.8	\$5.7
TOTAL	\$77.9	\$54.6	\$50.5	\$74.1	\$81.4	\$97.3
% CHANGE	-3.3%	-30.0%	-7.4%	46.6%	9.8%	19.6%

** Due to the COVID-19 pandemic, gaming operations were suspended from March 16, 2020 thru June 30, 2020.

*** Due to the COVID-19 pandemic, gaming operations were suspended from November 19, 2020 thru January 14, 2021.

Source: Illinois Gaming Board

Overview of Recent Performance of Illinois' Casinos

The adjusted gross receipts of Illinois casinos grew from \$1.430 billion in FY 2023 to \$1.618 billion in FY 2024 – an increase of 13.2%. This is the highest AGR figure since FY 2012, and reflects the overall growth in the number of casinos across the State.

While, the overall AGR of Illinois casinos increased by 13.2% in FY 2024, most casinos, however, recorded flat or slightly decreased AGR totals relative to FY 2023. This includes the highest generator of adjusted gross receipts in Illinois, Des Plaines' Rivers Casino, which saw its AGR total slide from \$557.6 million in FY 2023 to \$526.7 million in FY 2024.

The primary cause for the decline in AGR at many of the established casinos is believed to be the added competition from new casinos across Illinois. During FY 2024, a permanent casino facility in Carterville opened and began incurring revenue in August 2023 while a temporary location in Chicago, a direct competitor to the Rivers Casino, opened in September 2023. These casinos joined recently new establishments in Danville, Rockford, and Waukegan.

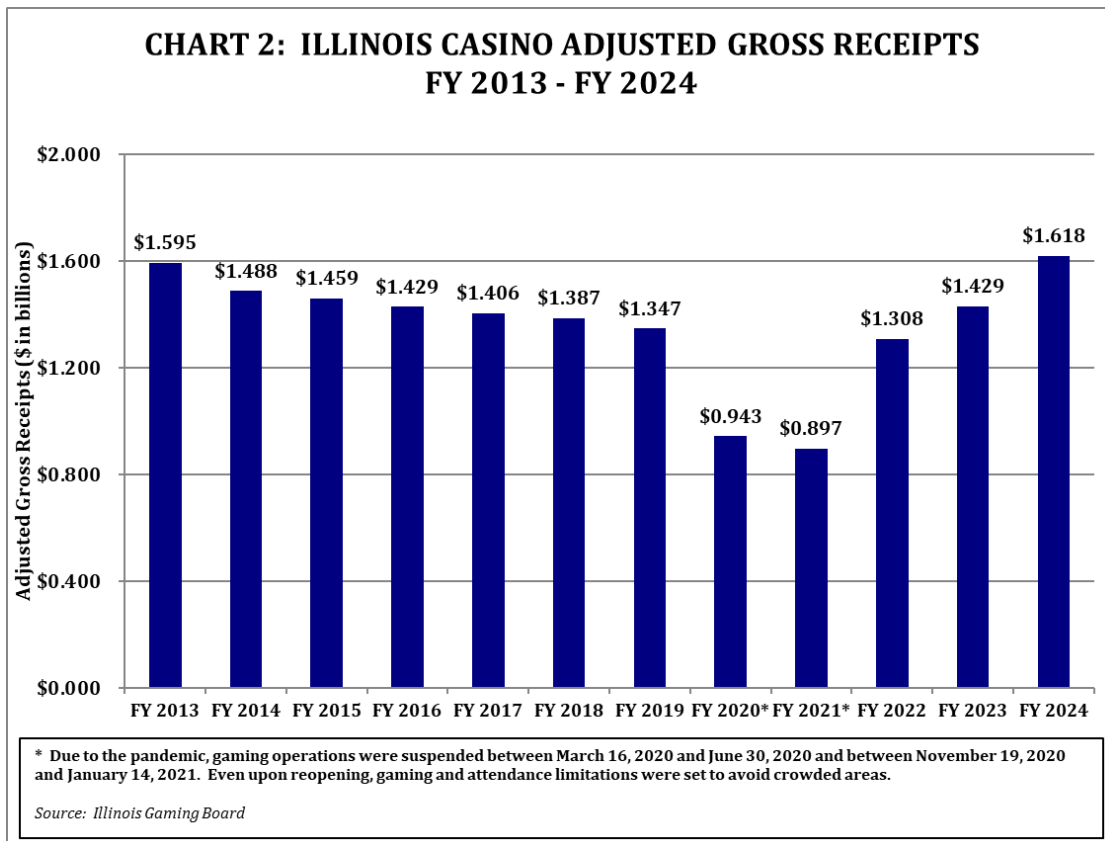
Historical AGR totals and growth rates for all of Illinois' operating casinos, are included in the following table. Despite Des Plaines' drop in FY 2024, this casino's total remains well above the second highest revenue generating casino, the Grand Victoria in Elgin, which had a FY 2024 AGR total of \$146.3 million.

TABLE 8: ADJUSTED GROSS RECEIPTS OF ILLINOIS CASINOS										
<i>\$ IN MILLIONS</i>	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	1-Yr.	10-Yr.	June '24	AGR/
	AGR	AGR	AGR	AGR	AGR	AGR	Change	Change	Positions	Pos/Day
ALTON ARGOSY - Alton	\$40.0	\$30.1	\$23.9	\$32.6	\$33.0	\$34.3	3.8%	-42.7%	504	\$186
HOLLYWOOD - Aurora	\$115.1	\$77.7	\$71.5	\$102.7	\$99.1	\$96.0	-3.1%	-27.1%	967	\$272
WALKER'S BLUFF - Carterville	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$26.1	N/A	N/A	657	\$109
BALLY'S - Chicago	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$93.2	N/A	N/A	971	\$263
GOLDEN NUGGET - Danville	\$0.0	\$0.0	\$0.0	\$0.0	\$2.4	\$38.5	1471.2%	N/A	504	\$209
RIVERS CASINO - Des Plaines	\$440.1	\$321.2	\$340.2	\$503.1	\$557.6	\$526.7	-5.5%	25.0%	1,999	\$722
PAR-A-DICE - E. Peoria	\$74.5	\$48.7	\$48.3	\$61.5	\$63.1	\$61.9	-2.0%	-38.2%	599	\$283
CASINO QUEEN - E. St. Louis	\$94.3	\$67.2	\$54.9	\$78.7	\$80.3	\$81.7	1.8%	-29.7%	997	\$225
GRAND VICTORIA - Elgin	\$157.2	\$107.6	\$107.1	\$155.1	\$153.4	\$146.3	-4.6%	-18.8%	911	\$440
HARRAH'S - Joliet	\$175.2	\$116.3	\$107.2	\$141.7	\$133.7	\$128.5	-3.9%	-34.5%	795	\$443
HOLLYWOOD - Joliet	\$115.2	\$79.1	\$64.3	\$88.0	\$90.4	\$90.5	0.1%	-26.8%	913	\$272
HARRAH'S - Metropolis	\$68.7	\$50.8	\$48.5	\$60.9	\$65.1	\$61.1	-6.1%	-24.1%	632	\$265
BALLY'S - Rock Island	\$66.7	\$43.9	\$31.5	\$49.2	\$58.4	\$61.2	4.7%	-21.1%	775	\$216
HARD ROCK - Rockford	\$0.0	\$0.0	\$0.0	\$34.0	\$62.8	\$72.9	15.9%	N/A	579	\$345
AMERICAN PLACE - Waukegan	\$0.0	\$0.0	\$0.0	\$0.0	\$30.1	\$99.4	230.0%	N/A	1,054	\$258
TOTALS	\$1,347.1	\$942.7	\$897.3	\$1,307.5	\$1,429.5	\$1,618.2	13.2%	8.8%	12,857	\$305
CHICAGO REGION TOTALS	\$1,002.8	\$701.9	\$690.3	\$990.6	\$1,064.3	\$1,180.6	10.9%	12.1%	7,610	\$425
ST. LOUIS REGION TOTALS	\$134.4	\$97.3	\$78.8	\$111.4	\$113.3	\$115.9	2.3%	-34.1%	1,500	\$212

Source: Illinois Gaming Board

Over the next couple of years many of these casinos at temporary facilities are expected to move into permanent locations including casinos in Rockford, Waukegan, and the City of Chicago. In addition, the South Suburbs are expected to open a permanent facility in November 2024. This will create even more competition to Illinois' gaming industry.

Historically, over the majority of the last decade, Illinois has seen a steady decline in the amount of AGR generated by the casino industry. Between FY 2013 and FY 2021, Illinois' AGR totals decreased from those recorded during the previous year. This trend is illustrated in Chart 2 below. However, during the last two years AGR totals have recovered to reach the highest figure recorded since FY 2008. As shown, in FY 2013, Illinois had a combined AGR total of \$1.595 billion. With the recent surge in AGR totals from the new casinos, the FY 2024 amount of \$1.618 billion represents a 1.5% increase in casino-related gaming receipts over the last eleven years.



The emergence of a myriad of other gaming options has gradually increased AGR totals, and seems to have reversed a decline of over 10 years. However, from an individual casino perspective, there is little improvement in recent years. The recent growth is largely attributed to more casinos rather than better performance among existing casinos. Whether this surge will stall as a result of other gaming options remains to be seen. Competition from alternative gaming options is discussed throughout this report and include: nearby casinos from other states (see page 20); an abundance of local video gaming options throughout Illinois (see page 37); and, more recently, an increase in sports wagering opportunities (see page 84).

Tax Revenue Analysis

The amount of tax revenues collected from Illinois casinos is directly related to its adjusted gross receipts and admission totals. The tax revenues generated from the casinos that are directed towards State coffers is shown below, along with each casino's annual rates of growth.

TABLE 9: ANNUAL PERCENT CHANGE OF CASINO STATE REVENUES								
Comparison of FY 2021 - FY 2024								
\$ in millions								
	FY 2021	Annual	FY 2022	Annual	FY 2023	Annual	FY 2024	Annual
	STATE	% change	STATE	% change	STATE	% change	STATE	% change
	REVENUE		REVENUE		REVENUE		REVENUE	
Alton	\$3.0	-36.5%	\$4.4	49.0%	\$4.4	-0.5%	\$4.7	7.7%
Aurora	\$10.1	-46.9%	\$17.8	76.1%	\$17.2	-3.2%	\$16.6	-3.4%
Carterville	\$0.0	N/A	\$0.0	N/A	\$0.0	N/A	\$3.1	N/A
Chicago	\$0.0	N/A	\$0.0	N/A	\$0.0	N/A	\$12.3	N/A
Danville	\$0.0	N/A	\$0.0	N/A	\$0.3	N/A	\$4.6	1335.0%
Des Plaines	\$73.3	-41.3%	\$134.7	83.6%	\$155.0	15.1%	\$147.0	-5.1%
East Peoria	\$5.5	-42.8%	\$8.9	60.1%	\$9.1	3.1%	\$9.1	-0.3%
East St. Louis	\$7.1	-54.5%	\$12.4	75.2%	\$13.2	5.7%	\$13.6	3.1%
Elgin	\$16.9	-42.9%	\$31.2	84.1%	\$31.6	1.3%	\$30.1	-4.6%
Joliet Harrah's	\$17.5	-48.4%	\$28.5	62.7%	\$27.5	-3.7%	\$26.2	-4.5%
Joliet Hollywood	\$9.2	-52.7%	\$15.1	65.1%	\$15.8	4.3%	\$16.2	2.5%
Metropolis	\$5.8	-39.1%	\$8.6	48.8%	\$9.6	11.2%	\$9.0	-5.7%
Rock Island	\$3.5	-58.0%	\$6.6	88.7%	\$8.8	35.1%	\$9.7	9.6%
Rockford	\$0.0	N/A	\$4.0	N/A	\$10.4	159.6%	\$12.5	19.8%
Waukegan	\$0.0	N/A	\$0.0	N/A	\$3.6	N/A	\$16.1	350.8%
TOTAL	\$151.9	-44.7%	\$272.1	79.2%	\$306.4	12.6%	\$330.9	8.0%

Source: Illinois Gaming Board

Changes to the graduated tax structure have resulted in less State tax revenue than would have been collected under the previous rate structure. Under prior law, casinos were taxed on a graduated basis with tax rates ranging from 15% to as high as 50% for AGR over \$200 million. Under the new tax structure, table games and electronic gaming devices [EGDs] have separate tax structures. The tax rates for the EGDs have the same graduated tax structure as prior law (with seven different brackets), but the tax structure on table games is lower and much simpler – taxing AGR less than \$25 million at 15% and everything over \$25 million at 20%.

The result of this modified tax structure is significantly lower effective tax rates. As shown in the table below, the average effective tax rate fell from 27.3% in FY 2020 to 20.0% in FY 2024. The Rivers Casino in Des Plaines has benefitted the most from this change with their effective tax rate falling from 42.6% in FY 2020 to 31.7% in FY 2024.

TABLE 10: OPERATING TAX RATES FOR ILLINOIS CASINOS						
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	(Prior Graduated Tax Structure)		(Current Graduated Tax Structure)			
Alton	19.1%	18.5%	15.0%	16.0%	15.9%	16.3%
Aurora	26.3%	27.8%	17.7%	20.7%	20.7%	20.6%
Carterville	N/A	N/A	N/A	N/A	N/A	15.0%
Chicago	N/A	N/A	N/A	N/A	N/A	16.0%
Danville	N/A	N/A	N/A	N/A	15.0%	15.0%
Des Plaines	42.2%	42.6%	25.6%	30.7%	31.7%	31.7%
East Peoria	21.8%	22.9%	15.0%	17.9%	18.1%	18.3%
East St. Louis	24.1%	26.2%	16.1%	18.9%	19.3%	19.5%
Elgin	29.8%	31.1%	19.7%	23.9%	24.4%	24.3%
Joliet Harrah's	31.3%	32.8%	20.3%	24.1%	24.5%	24.3%
Joliet Hollywood	26.4%	27.9%	17.7%	20.6%	21.0%	21.4%
Metropolis	21.3%	22.3%	15.5%	17.8%	18.4%	18.4%
Rock Island	19.8%	21.1%	14.0%	16.0%	17.7%	18.5%
Rockford	N/A	N/A	N/A	15.1%	19.8%	20.4%
Waukegan	N/A	N/A	N/A	N/A	15.0%	19.7%
Average Tax Rate	26.2%	27.3%	17.6%	20.1%	20.1%	20.0%

TABLE 11: FY 2024 AGR Statistics					
<i>\$ in millions</i>					
Casino	Adjusted Gross Receipts			AGR Composition	
	Table Games	EGDs	Total	% Table	% EGD
ALTON ARGOSY - Alton	\$2.9	\$31.4	\$34.3	8.3%	91.7%
HOLLYWOOD - Aurora	\$19.6	\$76.4	\$96.0	20.4%	79.6%
WALKER'S BLUFF - Carterville	\$3.3	\$22.9	\$26.1	12.5%	87.5%
BALLY'S - Chicago	\$36.5	\$56.6	\$93.2	39.2%	60.8%
GOLDEN NUGGET - Danville	\$4.2	\$34.3	\$38.5	10.8%	89.2%
RIVERS CASINO - Des Plaines	\$203.0	\$323.7	\$526.7	38.5%	61.5%
PAR-A-DICE - E. Peoria	\$10.8	\$51.1	\$61.9	17.4%	82.6%
CASINO QUEEN - E. St. Louis	\$16.5	\$65.2	\$81.7	20.2%	79.8%
GRAND VICTORIA - Elgin	\$29.8	\$116.5	\$146.3	20.4%	79.6%
HARRAH'S - Joliet	\$18.7	\$109.9	\$128.5	14.5%	85.5%
HOLLYWOOD - Joliet	\$11.6	\$78.9	\$90.5	12.8%	87.2%
HARRAH'S - Metropolis	\$11.4	\$49.7	\$61.1	18.7%	81.3%
BALLY'S - Rock Island	\$3.5	\$57.7	\$61.2	5.8%	94.2%
HARD ROCK - Rockford	\$6.0	\$66.8	\$72.9	8.3%	91.7%
AMERICAN PLACE - Waukegan	\$20.1	\$79.3	\$99.4	20.2%	79.8%
TOTAL	\$397.8	\$1,220.3	\$1,618.2	24.6%	75.4%

The data shows that the casinos that benefit the most from the structure change are the higher revenue-generating casinos – especially the ones with large amounts of adjusted gross receipts from table games. Under the previous tax structure, once the AGR from table games, when included with the AGR of EGDs, totaled over \$200 million, the revenue was taxed at 50%. Under the current tax structure, however, these particular revenues are instead taxed at a rate of no more than 20%.

As shown in the above table, the Rivers Casino generated the most adjusted gross receipts of any casino, including the most AGR for both Table Games and EGDs. Bally's new Chicago casino has claimed the spot for the largest percentage of AGR composition at 39.2% (a spot previously held by Rivers Casino). Under the previous tax structure, the \$203.0 million in table game AGR would have effectively been taxed at 50%, as the casino's AGR from EGDs was above the \$200 million threshold to trigger the higher tax rate. However, under the current tax structure, the \$203.0 million in table game AGR was instead taxed at a rate of no more than 20%. This is a main reason why Rivers' effective tax rate dropped from 42% to just over 30%.

The tax revenue impact of this structure change can be significant. Using the Rivers Casino again as an example and removing the pandemic impacted years from the equation, between FY 2019 and FY 2024, the AGR of Rivers increased 19.7% from \$438 million to \$527 million. However, its State tax revenue portion actually fell 13.3% from \$170 million to \$147 million. In other words, its taxable base grew \$89 million, yet its State taxes went down over \$23 million during this time period. This shows how the current structure can hurt tax totals but be a benefit to casino operators.

The Distribution of Casino Tax Revenues

Under current law, before revenues are transferred to the State's General Funds via the EAF (also known as the State Gaming Fund Transfer), distributions related to the 10th license (Rivers Casino) must first be made. This includes \$3.0 million to Chicago State University and \$66.4 million annually to the School Infrastructure Fund (SIF). Additionally, 2% of the AGR of all casinos built after 1999 is to be transferred to the Cook County Criminal Justice System. The Illinois Department of Human Services (DHS) also has the authority to withdraw Casino tax revenue up to a maximum of \$15 million annually, which can further reduce Casino tax revenue. In FY 2024, \$10 million was withdrawn due to this provision.

In FY 2022, \$140 million was transferred to the EAF. In FY 2023, State directed tax grew to a total of \$157 million. In FY 2024, the EAF transfer remained relatively flat with approximately \$158 million being transferred. A major factor in the stagnant EAF transfer is the issuance of hold-harmless credits established under P.A. 101-0031, which reduced the Casino Transfer by roughly \$26.9 million. These credits provided tax relief to casinos who were considered to be adversely affected by the increased competition resulting from the establishment of new casinos. The EAF transfer was further dampened by the graduated tax structure established under P.A. 101-0031 and modified by 101-0648, which created a reduced effective tax rate relative to the previous flat rate. Finally, the Gaming Board recorded higher administrative expenses in FY 2024 (likely caused by the proliferation of various forms of wagering in recent years), which also contributed to a reduced EAF transfer. Within the \$158 million EAF transfer in FY 2024, approximately \$87 million in Rivers Casino related distributions were recorded (as shown in Table 6).

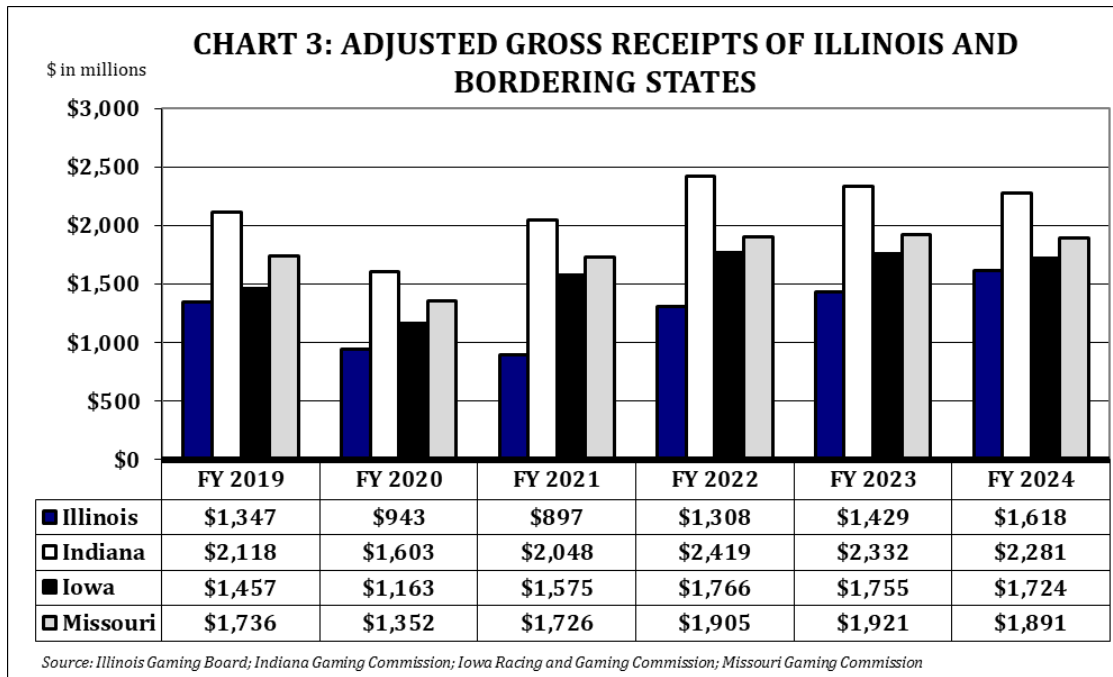
Furthermore, P.A. 102-0016 provided that, beginning on July 1, 2021, the first \$22.5 million of any remaining funds in a month are to be transferred to the EAF. Then, if any funds still remain after this monthly transfer, the remainder shall be transferred to the Capital Projects Fund (CPF). While \$10 million was transferred to the CPF in FY 2022, \$0 in revenues were transferred to the CPF in FY 2024, as revenues were not high enough to trigger this distribution.

The distribution of tax revenues will become even more complicated if racinos begin generating revenues. State law provides that after all obligated distributions have been satisfied, remaining tax dollars from racinos shall be transferred into the Capital Projects Fund (and not first to the EAF like other casinos). The statutory distribution of tax revenues intended for local governments¹ is even more complex, with a wide range of destinations, depending on the casino in question.

¹*From the taxes imposed on casinos, \$1 of each admission and 5% of AGR totals are paid to local governments. The remainder is considered the "State share".*

Competition for the Midwest Gaming Dollar

Table 12, on the following page, provides a statistical summary with its direct competitors: Indiana, Missouri, and Iowa. The chart below displays the AGR of these Midwestern states over the past five years. After being a leader for years in this region, Illinois’ casino revenues currently have the lowest amount of gaming revenue of the casino-operating states in the Midwest. In FY 2024, Illinois’ AGR total of \$1.618 billion was notably below Indiana (\$2.281 billion), Missouri (\$1.891 billion), and Iowa (\$1.724 billion).



As shown, due to the pandemic, all of these states saw significant reductions in their AGR totals in FY 2020. However, Illinois’ decline of 30% was more severe than that of Indiana (-24.3%), Iowa (-20.2%) and Missouri (-22.1%). One of the main reasons for this is that the neighboring states reopened earlier than Illinois. Iowa and Missouri reopened in June 2020, while Illinois did not reopen until July 2020. During FY 2021, Illinois again suspended gaming operations between parts of November 2020 thru January 2021. While the neighboring states instituted capacity limits during this time, they continued to operate. As a result, the surrounding states had strong bounce-back years in their AGR totals (each with growth over 25%) while Illinois fell another 4.8%, as illustrated in above. In FY 2022, strong growth in total AGR was experienced by each of the Midwestern states. In FY 2023, Illinois showed moderate growth in AGR totals, while other states appeared to plateau.

In FY 2024, Illinois has surged while the AGR totals of other Midwestern states have slumped - Illinois (+13.2%), Indiana (-2.2%), Missouri (-1.5%), Iowa (-1.8%). This is primarily due to the continued expansion of the casino industry in Illinois.

TABLE 12: STATISTICAL SUMMARY OF BORDERING STATES WITH CASINOS

\$ in millions

INDIANA CASINOS

\$ IN MILLIONS	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	1-Yr.	10-Yr.	June '24	AGR/
	AGR	AGR	AGR	AGR	AGR	AGR	Change	Change	Positions	Pos/Day
AMERISTAR - East Chicago	\$211.5	\$157.3	\$242.6	\$220.3	\$188.1	\$169.4	-9.9%	-18.8%	1,180	\$393
HOLLYWOOD - Lawrenceburg	\$163.2	\$125.9	\$152.5	\$166.0	\$150.9	\$144.2	-4.5%	-32.8%	1,331	\$297
BELTERRA - Switzerland County	\$108.6	\$72.3	\$84.2	\$87.8	\$83.7	\$80.8	-3.6%	-28.6%	876	\$253
BLUE CHIP - Michigan City	\$146.5	\$109.0	\$113.4	\$130.7	\$119.4	\$119.1	-0.2%	-20.4%	876	\$373
BALLY'S - Evansville	\$142.0	\$105.9	\$122.4	\$158.5	\$167.5	\$164.6	-1.7%	47.8%	1,005	\$449
FRENCH LICK - French Lick	\$90.1	\$62.7	\$64.0	\$74.0	\$75.9	\$76.5	0.7%	11.9%	772	\$272
RISING STAR - Rising Sun	\$42.6	\$30.9	\$44.1	\$43.7	\$42.7	\$41.7	-2.3%	-23.6%	643	\$178
HOOSIER PARK - Anderson	\$212.0	\$168.8	\$208.8	\$243.9	\$216.2	\$218.5	1.1%	8.4%	1,275	\$470
HORSESHOE - Hammond	\$380.2	\$303.2	\$377.1	\$356.4	\$307.3	\$259.4	-15.6%	-43.1%	1,860	\$382
CAESARS - Harrison County	\$216.5	\$161.8	\$204.1	\$234.0	\$245.0	\$233.6	-4.7%	-9.4%	1,289	\$497
HORSESHOE INDY - Shelbyville	\$268.5	\$211.4	\$298.9	\$326.3	\$323.8	\$328.1	1.3%	38.9%	1,799	\$499
MAJESTIC STAR - Gary**	\$81.3	\$57.0	\$60.0	\$0.0	\$0.0	\$0.0	N/A	-100.0%	-	N/A
MAJESTIC STAR II - Gary**	\$55.4	\$36.7	\$29.3	\$0.0	\$0.0	\$0.0	N/A	-100.0%	-	N/A
HARD ROCK - Gary**	\$0.0	\$0.0	\$47.0	\$377.6	\$411.4	\$410.7	-0.2%	N/A	1,971	\$571
TERRE HAUTE - Terre Haute	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$34.8	N/A	N/A	1,125	\$85
TOTALS	\$2,118.2	\$1,602.9	\$2,048.4	\$2,419.3	\$2,332.0	\$2,281.4	-2.2%	2.2%	16,001	\$391
**The Majestic Star and Majestic Star II closed in April 2021 and relocated to the new Hard Rock Casino in May 2021.										
CHICAGO REGION AREA TOTALS	\$874.7	\$663.2	\$869.3	\$1,085.0	\$1,026.2	\$958.6	-6.6%	-1.7%	5,886	\$446
Composition of Chicago Region:	46.6%	48.6%	55.7%	52.3%	49.1%	44.8%				
TOTAL CASINOS	\$1,637.7	\$1,222.7	\$1,540.7	\$1,849.1	\$1,792.1	\$1,734.8	-3.2%	-3.4%	9,806	\$485
TOTAL RACINOS	\$480.5	\$380.3	\$507.7	\$570.2	\$539.9	\$546.6	1.2%	24.9%	\$3,074.0	\$487

MISSOURI CASINOS

\$ IN MILLIONS	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	1-Yr.	10-Yr.	June '24	AGR/
	AGR	AGR	AGR	AGR	AGR	AGR	Change	Change	Positions	Pos/Day
ARGOSY - Riverside	\$165.3	\$128.0	\$160.2	\$177.1	\$173.2	\$166.6	-3.9%	16.5%	1,153	\$421
ISLE OF CAPRI - Boonville	\$78.6	\$60.8	\$80.6	\$88.5	\$92.3	\$86.5	-6.3%	10.8%	662	\$366
CENTURY - Caruthersville	\$37.4	\$31.2	\$46.8	\$48.3	\$44.2	\$47.1	6.8%	51.4%	404	\$328
HOLLYWOOD - Maryland Hts	\$233.5	\$176.7	\$189.8	\$234.4	\$243.6	\$245.1	0.6%	9.7%	1,715	\$374
HARRAH'S - North Kansas City	\$177.7	\$140.4	\$182.5	\$176.8	\$170.7	\$164.5	-3.7%	-6.1%	1,112	\$436
BALLY'S KC - Kansas City	\$66.4	\$50.9	\$83.5	\$119.9	\$128.0	\$136.0	6.2%	80.0%	937	\$350
HORSESHOE - St. Louis	\$162.1	\$121.4	\$161.5	\$150.5	\$157.3	\$150.8	-4.2%	4.0%	938	\$439
AMERISTAR - Kansas City	\$195.1	\$149.2	\$187.2	\$198.7	\$200.6	\$199.7	-0.5%	1.1%	1,647	\$330
RIVER CITY - St. Louis	\$220.3	\$170.0	\$199.9	\$249.5	\$254.8	\$250.4	-1.7%	20.6%	1,683	\$406
PRESIDENT - St. Louis	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	N/A	N/A	-	N/A
MARK TWAIN - LaGrange	\$31.0	\$27.3	\$38.7	\$38.5	\$36.8	\$35.7	-3.1%	-2.5%	349	\$302
AMERISTAR - St. Charles	\$268.7	\$212.8	\$283.4	\$302.5	\$303.0	\$292.0	-3.6%	14.8%	1,898	\$437
FRONTIER - St. Joseph	\$37.7	\$32.8	\$41.5	\$48.1	\$47.6	\$47.6	-0.1%	25.5%	404	\$326
CENTURY - Cape Girardeau	\$61.8	\$50.8	\$70.7	\$72.1	\$68.3	\$69.3	1.5%	21.0%	862	N/A
TOTALS	\$1,735.8	\$1,352.4	\$1,726.3	\$1,904.7	\$1,920.6	\$1,891.3	-1.5%	13.8%	13,764	\$376
ST LOUIS REGION TOTALS	\$884.7	\$680.9	\$834.7	\$936.8	\$958.8	\$938.4	-2.1%	13.0%	6,234	\$412
Composition of St. Louis Region:	86.8%	87.5%	91.4%	89.4%	89.4%	89.0%				

IOWA CASINOS

\$ IN MILLIONS	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	1-Yr.	10-Yr.	June '24	AGR/
	AGR	AGR	AGR	AGR	AGR	AGR	Change	Change	Positions	Pos/Day
AMERISTAR - Council Bluffs	\$163.9	\$125.1	\$165.8	\$187.0	\$184.6	\$186.6	1.1%	14.0%	1,294	\$395
CASINO QUEEN - Marquette	\$21.6	\$16.8	\$18.1	\$21.2	\$21.4	\$20.7	-3.2%	-22.4%	463	\$123
CATFISH BEND - Burlington	\$39.6	\$32.1	\$43.3	\$45.5	\$44.9	\$43.6	-2.8%	13.9%	739	\$162
DIAMOND JO - Dubuque	\$69.1	\$56.3	\$68.1	\$76.4	\$74.7	\$79.1	5.9%	24.4%	742	\$292
DIAMOND JO - Northwood	\$84.5	\$66.2	\$95.9	\$104.5	\$103.0	\$107.2	4.1%	27.3%	870	\$338
GRAND FALLS - Larchwood	\$61.5	\$51.1	\$78.0	\$92.9	\$95.8	\$99.5	3.9%	68.1%	803	\$339
HARD ROCK CASINO - Sioux City	\$76.0	\$61.1	\$87.1	\$97.9	\$94.8	\$92.5	-2.4%	N/A	699	\$362
HARRAH'S - Council Bluffs	\$71.3	\$52.3	\$58.1	\$74.0	\$70.7	\$71.9	1.7%	-2.6%	665	\$296
HORSESHOE - Council Bluffs	\$168.5	\$141.1	\$180.3	\$212.2	\$204.7	\$187.1	-8.6%	-2.9%	1,395	\$368
ISLE OF CAPRI - Bettendorf	\$66.0	\$51.2	\$68.5	\$72.4	\$73.4	\$66.7	-9.2%	-5.1%	863	\$212
ISLE CASINO - Waterloo	\$83.7	\$65.6	\$88.4	\$101.0	\$97.8	\$93.3	-4.6%	9.8%	858	\$298
LAKESIDE - Osceola	\$47.2	\$40.1	\$47.6	\$53.1	\$50.8	\$48.7	-4.2%	-1.3%	572	\$233
PRAIRIE MEADOWS - Altoona	\$206.5	\$157.2	\$206.7	\$228.3	\$240.9	\$240.3	-0.3%	32.8%	1,288	\$511
Q CASINO - Dubuque	\$50.5	\$39.7	\$50.3	\$52.2	\$50.5	\$44.0	-13.0%	-14.0%	570	\$211
RHYTHM CITY - Davenport	\$71.2	\$64.1	\$110.3	\$118.4	\$115.2	\$111.9	-2.9%	151.9%	847	\$362
RIVERSIDE CASINO - Riverside	\$90.1	\$76.7	\$116.3	\$128.4	\$130.0	\$129.2	-0.6%	47.4%	998	\$355
WILD ROSE - Clinton	\$29.3	\$24.0	\$32.9	\$33.6	\$33.3	\$32.9	-1.1%	0.3%	503	\$179
WILD ROSE - Emmetsburg	\$27.4	\$20.3	\$27.4	\$30.7	\$31.4	\$31.5	0.6%	1.7%	468	\$184
WILD ROSE - Jefferson	\$29.1	\$22.5	\$32.3	\$36.4	\$36.5	\$36.7	0.4%	N/A	527	\$191
TOTALS	\$1,457.0	\$1,163.4	\$1,575.4	\$1,766.2	\$1,754.5	\$1,723.5	-1.8%	24.6%	15,164	\$311
QUAD CITY REGION TOTALS	\$137.2	\$115.3	\$178.8	\$190.8	\$213.0	\$211.4	-0.8%	84.3%	1,650	\$351
OTHER CASINOS BORDERING ILLINOIS	\$188.5	\$152.1	\$194.6	\$207.8	\$203.4	\$199.6	-1.9%	7.4%	2,554	\$214
AGR Comp. of Casinos on IA/IL Border:	81.4%	84.6%	88.6%	86.6%	86.8%	86.9%				
TOTAL CASINOS	\$1,031.5	\$825.5	\$1,138.2	\$1,273.5	\$1,258.3	\$1,252.2	-0.5%	30.7%	11,912	\$288
TOTAL RACINOS	\$425.5	\$338.0	\$437.3	\$492.7	\$496.2	\$471.3	-5.0%	10.9%	3,253	\$397

Source: Indiana Gaming Commission; Iowa Racing and Gaming Commission; Missouri Gaming Commission

Below, and on the following page, is an overview of the casino industry involving Illinois' nearby gaming competitors

Indiana

- Despite having a population of about half the size of Illinois, Indiana's AGR totals of its casinos continue to be much higher than Illinois. In FY 2024, Indiana's total was \$2.281 billion compared to Illinois' total of \$1.618 billion. The FY 2024 total is a 2.2% decrease from the FY 2023 total of \$2.332 billion.
- There was a resurgence of revenues after the May 2021 opening of the Hard Rock Casino [Northern Indiana], which replaced the Majestic Star casinos located in Gary. The new casino lies adjacent to the Borman Expressway (I-94) at Burr Street and 29th Avenue, thereby making it easily accessible from the south suburbs of Chicago. This casino is in direct competition with many of the Illinois casinos in that area, and will be a direct competitor to the new casino that will soon be opening in the south suburbs of Cook County.
- Indiana casinos make up almost half (44.8% in FY 2024) of the Chicago area casino AGR market. In addition to the Hard Rock Casino in Gary (AGR of \$411M in FY 2024), other casinos competing in this region include the Ameristar in East Chicago (\$169M); the Blue Chip in Michigan City (\$119M); and the Horseshoe in Hammond (\$259M). Due to increasing casino options in the Chicago area, the East Chicago, Hammond, and Hard Rock casinos saw their revenues decline in FY 2024. Collectively, Indiana's Chicago Area casinos declined 6.5% between FY 2023 and FY 2024.
- A new casino has begun operations on the east side of Terre Haute in April 2024. The Queen of Terre Haute Casino features 1,050 slot machines, 34 table games, as well as a hotel, sportsbook, and several restaurants. This casino is minutes from Illinois' border and competes directly with the new Illinois casino in Danville.

Missouri

- Adjusted Gross Receipts from Missouri casinos fell after plateauing in FY 2023. An overall AGR decrease of -1.5% was recorded in FY 2024, resulting in a decline from \$1.921 billion \$1.891 billion. The four St. Louis area casinos near the Illinois border generated \$938 million in adjusted gross receipts in FY 2024. Approximately 89% of the AGR revenues in this area are collected in Missouri.
- The decline in St. Louis' area AGR may have been less significant if it were not for the increased competition from video gaming terminals in Illinois. The four Illinois counties closest to St. Louis (Jersey, Madison, Monroe, and St. Clair) had approximately 3,650 video gaming terminals in operation in FY 2024 with net terminal income totaling nearly \$202 million. More competition could soon come to the area with the authorization of a racino at Fairmount Racetrack, which

would add additional gaming positions to this metropolitan area on the Illinois side of the border.

Iowa

- Despite a much smaller population, the FY 2024 AGR totals were again higher in Iowa (\$1.724 billion) than Illinois (\$1.618 billion). Iowa's AGR levels decreased by -1.8% in FY 2024, which indicates an enduring plateau following a modest decline of -0.7% in FY 2023. In FY 2024, on an individual basis, Illinois' Rock Island Casino (\$61M) was outperformed by Bettendorf's Isle of Capri (\$67M) and Davenport's Rhythm City (\$112M). With two casinos compared to one, Iowa brings in the majority of revenues in the Quad City area. An additional \$200 million in AGR was brought in by other Iowa casinos near the Illinois border.

Wisconsin

- While Wisconsin does not have public casinos, it does have a number of tribal gaming facilities throughout the state. The closest Wisconsin casinos to Illinois' border currently reside in Milwaukee and Madison.
- A tribal casino to be located in the city of Beloit (just north of Rockford) was approved by Wisconsin governor Tony Evers in March 2021 and gained approval from the Bureau of Indian Affairs in May 2022. The new casino will be located just across the Illinois border off of Interstate 39/90. Construction for this \$405 million casino is slated to begin in Fall 2024 with an opening date in 2026. This casino would be in direct competition with Rockford's Hard Rock Casino.
- Another proposal for the city of Kenosha, a few miles north of Waukegan, was rejected by Wisconsin Governor Scott Walker in 2015. In July 2022, the Menominee Indian Tribe announced a partnership with Hard Rock International to pursue another attempt at a casino in Kenosha. In February 2024, an intergovernmental agreement was signed with officials from the City of Kenosha and Kenosha County, but an official deal greenlighting the proposed casino has not been agreed upon. While a timetable for this potential casino is unknown, multiple obstacles would have to be overcome for this casino to become a reality.

Michigan

- While Michigan's large public casinos reside relatively far from Illinois in Detroit, the state does have a number of tribal casinos. One of those casinos, the Four Winds Casino, is located off of I-94 approximately 90 minutes from Chicago in New Buffalo, Michigan. While somewhat far from Chicago, the casino offers low-cost shuttles from several Illinois locations to entice gamblers to its venue.

The Future of the Casino Industry and the Impact of P.A. 101-0031 and P.A. 101-0648

While the amount of revenues generated from Illinois casinos improved in FY 2024, the total still remains below levels from the past. Illinois saw substantial growth this year, and will likely see more growth in the following years due to gaming expansion legislation passed in the form of P.A. 101-0031. This expansion involved different forms, which are summarized below.

- **Additional Gaming Position Purchasing Option**

For years, many in the industry argued that Illinois casinos were at a competitive disadvantage with other states because State law limited their gaming positions to 1,200 per casino, thereby preventing them to expand their offerings if the demand for more gaming options was there. In light of this, and as a way for existing casinos to respond to the upcoming competition, P.A. 101-0031 authorized casinos the opportunity to increase their available gaming positions from 1,200 positions to as many as 2,000 positions. To obtain these positions, casinos had to purchase these positions at a cost of \$17,500 per position for licenses not located in Cook County and \$30,000 per position for licenses located in Cook County.

Despite the opportunity to increase their gaming positions, most of the existing casinos have declined this opportunity. Gaming Board reports show that only the Rivers Casino in Des Plaines has taken the opportunity to operate at more than the 1,200-position threshold. It appears that there was very little incentive for the other casinos to spend the money to operate additional gaming positions, especially in light of the looming competition being added throughout Illinois.

Des Plaines promptly ramped up the number of casino games that were offered and has remained near the 2,000-position limit. Des Plaines' AGR per position per day figures have historically been much higher than other nearby casinos, which was an indication that there was demand for more gaming opportunities in this area and worth the cost of purchasing additional positions. However, it remains to be seen how Des Plaines' profitability will be impacted by the future openings of the permanent facilities at Bally's Casino Chicago and the Wind Creek Chicago Southland Casino.

- ***New Casino Licenses***

This Act also granted new casino licenses to Rockford, Waukegan, Carterville, Danville, Chicago's South Suburbs, and the City of Chicago. Of these casinos, Carterville, Rockford, and Danville have built permanent facilities. Waukegan and Chicago have established temporary locations. The South Suburbs have yet to establish either a temporary or permanent casino. The timetable of when these casinos will ultimately open and begin generating revenues varies and remains fluid. The following paragraphs provide a synopsis of the status of each casino authorized under P.A. 101-0031.

Rockford – Hard Rock Casino

This casino opened a temporary facility in November 2021 at 610 N. Bell School Road in Rockford. Recently, a permanent casino has been constructed and opened at the corner of East State St. and I-90. The new 65,000 square foot permanent casino facility opened on August 29, 2024 and includes 1300 slot machines, 50 live table games, a concert venue, and physical sportsbook.

Source: <https://www.mystateline.com/news/opening-day-look-inside-rockfords-new-hard-rock-casino/>

Waukegan – American Place

Near the Fountain Square shopping center in the northern suburb, this casino opened an interim tent-like facility on February 17, 2023. Developers were anticipating a 2025 opening for the permanent location, but a lawsuit against the City of Waukegan and the Illinois Gaming Board by the Forest County Potawatomi Community is expected to stall the opening to the later date of 2027. When completed, the American Place will feature a 5-star 20-suite hotel, 1640 slot machines, 100 table games, and a 1,500-seat entertainment venue.

Source: <https://www.chicagotribune.com/2024/03/28/full-house-resorts-awaits-illinois-supreme-court-decision-before-building-its-casino-in-waukegan/>

Carterville – Walker's Bluff

Elite Casino Resorts, an Iowa based casino resort company, in conjunction with Walker's Bluff Winery in Carterville, opened on August 26, 2023. Located next to the winery, the casino features 650 slot machines and 14 table games, alongside amenities such as a show lounge and 116-room hotel with full-service salon and spa. Located between Marion and Carbondale, the casino is approximately 14 miles from Interstate 57.

Source: <https://www.walkersbluffcasinoresort.com/index.html>

Danville – Golden Nugget Danville Casino

The Danville casino opened on May 27, 2023. The casino features a 41,500 square foot gaming floor that contains over 500 slot machines and 14 table games. Danville does not include a physical or digital sportsbook at this time. However, the casino does include a steak house, house bar, and café. It is the first casino to not include a resort plan with overnight rooms.

Source: <https://www.goldennugget.com/danville/>

South Suburbs – Wind Creek Chicago Southland

Located at the Interstate 80/Halsted St. interchange in East Hazel Crest and Homewood, the revenue from the “Wind Creek Chicago Southland” will be split between the two municipalities, despite the bulk of the proposal settled in East Hazel Crest. Work began on the Four Diamond casino in June 2022, and it received its license in December 2021 from the Gaming Board. The casino has publicly suggested an opening date of November 2024. Wind Creek will include a 70,000 square foot casino, including over 1,300 slot machines and 56 table games. A 252-room luxury hotel is also in the construction plan.

Source: <https://windcreek.com/chicagosouthland>

Chicago – Bally’s Casino

In 2022, the Chicago City Council approved a \$1.74 billion contract for a Bally’s Corporation casino resort in the River West Neighborhood. Proposed to be off Halsted and Chicago Ave., the former *Chicago Tribune* publishing center will include a variety of amenities on top of 3,400 slots and 173 table games. A 3,000-seat theater, 500 room hotel tower, and 10 different restaurants were also included in the construction proposal. Despite financing concerns, Bally’s recently secured \$940 million in funding from the real estate investment trust, Gaming & Leisure Properties, and intends to adhere to the projected opening date of September 2026.

A temporary casino site opened September 9, 2023 at the Medinah Temple on Wabash St. in River North. The three-story building has been retrofitted to include 750 slot machines and 50 table games as well as food and beverage offerings.

Source: <https://casinos.ballys.com/chicago/>
<https://www.chicagobusiness.com/politics/ballys-chicago-casino-company-agrees-soo-kim-buyout>

- **Casinos at Racetracks**

In addition to an increase in gaming positions and the authorization of new casinos, P.A. 101-0031 authorized both electronic gaming and table games at Illinois' racetracks under the following gaming position limits: Arlington: 1,200 positions; Hawthorne: 1,200 positions; and Fairmount: 900 positions. It also allows for an additional 1,200 position racetrack casino in Cook County in the future if it meets certain racing and licensing requirements.

While Hawthorne and Fairmount are in line to potentially open "racinos" in the near future, Arlington International Racecourse announced in August 2019 that they would not pursue a casino license and have since closed its racetrack. And while a new racetrack with a casino could be theoretically built in Cook County under this Act, there is no current indication that this will take place in the foreseeable future. This leaves Hawthorne and Fairmount as the only locations that could open racinos in the coming years. A synopsis of these future gaming facilities follows.

Cicero – Hawthorne Casino & Race Course

When the initial plans were announced, Hawthorne's website stated that the casino was planned to open in fall 2021. However, now over four years since its approval, no casino has been opened. The racino has yet to be fully financed and has not cleared the multiple rounds of approval from the Illinois Gaming Board. Hawthorne has developed an existing partnership with retail sportsbook company PointsBet, already established on the course grounds. Sports wagering began at the location in September 2020.

Source: <https://harnessracingupdate.com/2024/04/14/push-for-a-racino-in-illinois/neracecourse.com/casino/>

Collinsville – FanDuel Sportsbook and Horse Racing

In 2021, Fairmount Park Racetrack partnered with Casino Queen Holding Inc. to pave the way for casino gaming at the races. DraftKings at Casino Queen, an already operating casino in East St. Louis, joined FanDuel in partnering with the track. In November 2020, Fairmount announced it will be rebranded as FanDuel Sportsbook and Horse Racing. FanDuel will provide online and retail sports book services, while Casino Queen will eventually provide traditional forms of casino gambling to the Collinsville track. Sports wagering has been conducted at Fairmount since March 2021. In July 2024, Accel Entertainment (the parent company of FanDuel Sportsbook) agreed to buy the track and announced their plans to build both temporary and permanent casinos. A deal is expected to be considered by the Illinois Racing Board in the 4th quarter of 2024. A temporary casino is targeted for May 2025 with 200 slot machines and 4-6 table games. A permanent casino would follow in mid-to-late 2027 with 500 slot machines, 24 table games, and a sportsbook.

Source: <https://draftkingsatcasinoqueen.com/wp-content/uploads/2021/03/Casino-Queen-Fairmount-press-release-3-8-2021-Final-1.pdf>
<https://fox2now.com/news/illinois/accel-entertainment-to-acquire-fanduels-collinsville-venue-plans-new-casino/>

How Much Revenue Could These New Casinos Generate?

The new casinos, especially the large 4,000 position (max) casino in Chicago, will no doubt generate millions of dollars to the State and local governments, but how much revenue could these new casinos realistically generate? The amount of revenue generated from the newly authorized downstate locations would probably be very similar to the other smaller “existing” casinos across the State. Revenue generated from casinos in highly populated locations, such as the Waukegan and the south suburban location, are projected to see AGR totals per location between \$75 million and \$150 million upon full implementation. Waukegan generated \$99 million in FY 2024 at its smaller temporary facility. Resulting recurring tax totals would thus total between roughly \$15 million and \$40 million.

A new 4,000 position casino strategically located near the untapped areas of downtown Chicago should exceed Illinois’ highest revenue generating casino, which was Des Plaines in FY 2024 (\$527M), and would rival other large casinos across the country. To put a Chicago casino’s revenue potential into perspective, the following table displays the top 20 casinos in the Great Lakes Region in terms of AGR over the last four fiscal years. As shown, the casino with the highest amount of AGR in this region in FY 2024 was the MGM Grand in Detroit with adjusted gross receipts totaling \$563 million. Besides the MGM Grand Casino, only two other casinos in this region had AGR levels surpassing \$500 million in FY 2024: Wind Creek in Bethlehem, PA (\$537M) and Des Plaines’ Rivers Casino (\$527M). While the Rivers Casino is now using the limit of 2,000 gaming positions, the other two casinos mentioned above have gaming position totals similar to the 4,000 positions the Chicago Casino is authorized to operate.

TABLE 13: SUMMARY OF THE TOP 20 REVENUE CASINOS IN THE GREAT LAKES REGION (Illinois, Indiana, Iowa, Michigan, Missouri, Ohio, and Pennsylvania)											
<i>\$ in millions</i>											
Rank	Location	FY 2019 AGR	FY 2020 AGR	FY 2021 AGR	FY 2022 AGR	FY 2023 AGR	FY 2024 AGR	1-Yr. Change	10-Yr. Change	June '24 Positions	AGR/ Pos/Day
1	MGM GRAND - Detroit	\$625.3	\$434.9	\$377.9	\$612.7	\$595.3	\$563.8	-5.3%	-0.3%	3,901	\$396
2	WIND CREEK - Bethlehem	\$523.7	\$348.7	\$355.2	\$514.4	\$515.6	\$536.5	4.1%	17.2%	2,708	\$543
3	RIVERS CASINO - Des Plaines	\$440.1	\$321.2	\$340.2	\$503.1	\$557.6	\$526.7	-5.5%	25.0%	1,999	\$722
4	HARD ROCK - Gary**	\$0.0	\$0.0	\$47.0	\$377.6	\$411.4	\$410.7	-0.2%	N/A	1,971	\$571
5	PARX - Bensalem	\$607.4	\$438.3	\$547.9	\$621.7	\$592.1	\$404.9	-31.6%	-15.3%	3,643	\$304
6	MOTORCITY CASINO - Detroit	\$489.7	\$345.7	\$341.8	\$419.2	\$390.0	\$372.4	22.6%	-16.1%	2,740	\$372
7	THE RIVERS - Pittsburgh	\$369.9	\$290.1	\$257.7	\$362.2	\$358.3	\$344.6	-3.8%	-0.2%	2,683	\$352
8	HORSESHOE INDY - Shelbyville	\$268.5	\$211.4	\$298.9	\$326.3	\$323.8	\$328.1	1.3%	38.9%	1,799	\$499
9	MGM - Northfield	\$256.0	\$189.9	\$243.2	\$281.0	\$296.8	\$306.6	15.6%	N/A	1,458	\$576
10	AMERISTAR - St. Charles	\$268.7	\$212.8	\$283.4	\$302.5	\$303.0	\$292.0	-3.6%	14.8%	1,898	\$437
11	GREETOWN CASINO - Detroit	\$336.5	\$237.5	\$206.8	\$266.5	\$277.2	\$288.9	28.9%	-8.3%	3,344	\$237
12	HOLLYWOOD - Columbus	\$227.6	\$170.7	\$239.1	\$258.0	\$248.1	\$272.2	7.9%	N/A	1,970	\$378
13	JACK - Cleveland	\$207.8	\$158.4	\$227.5	\$261.1	\$245.0	\$268.2	14.8%	512.6%	1,663	\$442
14	HORSESHOE - Hammond	\$380.2	\$303.2	\$377.1	\$356.4	\$307.3	\$259.4	-15.6%	-43.1%	1,860	\$382
15	LIVE! - Philadelphia	\$0.0	\$0.0	\$98.3	\$221.1	\$234.9	\$252.7	7.6%	N/A	2,514	\$275
16	RIVER CITY - St. Louis	\$220.3	\$170.0	\$199.9	\$249.5	\$254.8	\$250.4	-1.7%	20.6%	1,683	\$406
17	HARD ROCK - Cincinnati	\$207.9	\$155.4	\$197.6	\$249.7	\$230.7	\$249.7	26.4%	N/A	1,995	\$343
18	HOLLYWOOD - Maryland Hts	\$233.5	\$176.7	\$189.8	\$234.4	\$243.6	\$245.1	0.6%	9.7%	1,715	\$374
19	MIAMI VALLEY - Lebanon	\$171.6	\$134.9	\$185.2	\$219.3	\$236.8	\$242.4	18.4%	N/A	2,033	\$327
20	PRAIRIE MEADOWS - Altoona	\$206.5	\$157.2	\$206.7	\$228.3	\$240.9	\$240.3	-0.3%	32.8%	1,288	\$511

Some believe that a Chicago casino, with a permanent facility, will eventually be the top revenue producing casino in this region. However, it must be stressed that this would have to occur at a time that gaming options in the Chicago metropolitan area would be higher than they have ever been before. Not only will the Chicago Casino compete with the five Illinois casinos in the Chicago metro area, but also the four nearby Indiana casinos, two new suburban casinos (in Waukegan and the South Suburbs), two potential racinos in the metro area, as well as competing with over 19,000 video gaming terminals in the Chicago metropolitan area. The top casinos in the provided table have significantly less competition for the gaming dollar than a Chicago Casino will have, which makes Chicago generating revenues that exceed the amounts in this list much more challenging.

In terms of tax revenues, the tax imposed on the Chicago Casino is different than other Illinois casinos, as highlighted on page 11. This mega casino has a modified State tax as well as its own City Tax. Similar to the tax structure of other Illinois casinos, the Chicago Casino graduated tax structure imposed on table game revenues is calculated separately from the electronic gaming device revenues.

Below are examples of how much tax revenue would be generated from the Chicago Casino Tax Structure under three scenarios of total AGR (with an assumed 30% coming from table games):

- A \$600 million Chicago casino would generate approximately \$221 million in tax revenue, including \$118 million for the State and \$103 million for the City.
- An \$800 million Chicago casino would generate approximately \$306 million in tax revenue, including \$164 million for the State and \$142 million for the City.
- A \$1.0 billion Chicago casino would generate approximately \$394 million in tax revenue, including \$211 million for the State and \$183 million for the City.

How Much Revenue Could the New Racinos Generate?

How much revenue could Illinois realize from its racinos? The table below shows the amount of gross receipts generated by racetrack casinos in the Great Lakes Region over the last four fiscal years. As shown, the revenue discrepancy between each of the locations is wide, ranging from \$44 million to over \$405 million. The performance of these racinos is strongly influenced by factors that affect any casino: location of the facility, distance from competing venues, gaming positions utilized, tax structure imposed, etc.

While Illinois' racinos will reside in highly populated regions, they will also lie within short distances of either existing casinos or newly proposed locations. These venues will immediately have strong competition surrounding them, and that does not include the successful video gaming terminals that operate across the State. As a result, obtaining revenue totals that match the large revenue producing racinos shown below will be challenging, especially because of the limited number of gaming positions estimated at the Hawthorne and Fairmount racinos.

TABLE 14: FY 2019 - FY 2024 AGR STATISTICS OF GREAT LAKES REGION RACETRACK CASINOS											
<i>\$ in millions</i>											
Rank	Location	FY 2019 AGR	FY 2020 AGR	FY 2021 AGR	FY 2022 AGR	FY 2023 AGR	FY 2024 AGR	1-Yr. Change	10-Yr. Change	June '24 Positions	AGR/ Pos/Day
5	PARX - Bensalem	\$607	\$438	\$548	\$622	\$592	\$405	-31.6%	-15.3%	\$3,643	\$304
8	HORSESHOE INDY - Shelbyville	\$269	\$211	\$299	\$326	\$324	\$328	1.3%	38.9%	\$1,799	\$499
9	MGM - Northfield	\$256	\$190	\$243	\$281	\$297	\$307	15.6%	N/A	\$1,458	\$576
19	MIAMI VALLEY - Lebanon	\$172	\$135	\$185	\$219	\$237	\$242	18.4%	N/A	\$2,033	\$327
20	PRAIRIE MEADOWS - Altoona	\$207	\$157	\$207	\$228	\$241	\$240	-0.3%	32.8%	\$1,288	\$511
23	SCIOTO DOWNS - Columbus	\$178	\$140	\$209	\$233	\$235	\$224	11.5%	2000.4%	\$1,652	\$372
25	HOOSIER PARK - Anderson	\$212	\$169	\$209	\$244	\$216	\$219	1.1%	8.4%	\$1,275	\$470
26	MOHEGAN SUN - Wilkes-Barre	\$227	\$165	\$174	\$225	\$213	\$207	-3.0%	-21.6%	\$1,782	\$318
28	THE MEADOWS - Washington	\$247	\$169	\$157	\$193	\$197	\$191	-3.0%	-23.9%	\$2,271	\$230
30	HORSESHOE - Council Bluffs	\$169	\$141	\$180	\$212	\$205	\$187	-8.6%	-2.9%	\$1,395	\$368
32	JACK THISTLETOWN - Cleveland	\$134	\$109	\$179	\$192	\$186	\$184	6.8%	N/A	\$1,273	\$396
35	HOLLYWOOD - Mahoning Valley	\$124	\$96	\$141	\$159	\$163	\$166	12.3%	N/A	\$1,027	\$444
38	PENN NATIONAL - Grantville	\$242	\$175	\$190	\$196	\$177	\$162	-8.5%	-35.5%	\$3,216	\$138
39	HOLLYWOOD - Dayton	\$111	\$89	\$142	\$153	\$152	\$159	7.8%	N/A	\$936	\$464
51	PRESQUE ISLE - Erie	\$130	\$92	\$93	\$115	\$107	\$103	-3.9%	-24.3%	\$1,558	\$181
61	BELTERRA PARK - Cincinnati	\$85	\$63	\$86	\$95	\$86	\$85	9.9%	N/A	\$950	\$246
71	HARRAH'S - Chester	\$255	\$179	\$194	\$186	\$161	\$64	-60.1%	-78.2%	\$1,741	\$101
78	Q CASINO - Dubuque	\$50	\$40	\$50	\$52	\$51	\$44	-13.0%	-14.0%	\$570	\$211

The tax revenue potential of these Illinois racinos would of course depend on the amount of adjusted gross receipts these locations are able to generate and type of game creating this revenue (table games vs electronic gaming device). While the distribution of the tax revenues from the racinos would be different than that of the casinos, the tax structure is the same as the non-Chicago casinos.

Factors that Could Limit Tax Revenue Growth

Despite the fact that authorized gaming positions will continue to expand as the provisions within P.A. 101-0031 and P.A. 101-0648 are fully implemented, the Commission projects only modest growth in gaming-related tax revenues. Reasons for this are discussed below.

- **An Effectively Reduced Tax Structure**

As discussed earlier, among the changes of P.A. 101-0031 and P.A. 101-0648 is a modification to the privilege tax structure imposed on casinos. The new law provides that table games and electronic gaming devices have separate tax structures, which in itself reduces the tax revenue potential under a graduating tax format. The revenue potential is further limited by the fact that the rates imposed on table games are much lower than under prior law. These changes create an effective tax rate that will be significantly lower than before, thereby making it more challenging to generate large amounts of “new” tax revenues for the State.

- **Cannibalization and Area Saturation**

Few would argue that the new casinos and racinos will not generate revenues for the State. The question, however, is at what cost? In areas where gaming approaches saturation, a “cannibalization” effect often occurs where upon existing casinos see revenue losses as a result of the new local competition. There have been numerous gaming-related examples of this cannibalization effect in recent years. As discussed in the video gaming section, the most recent is the impact that video gaming has had on the Chicago Area casinos. This effect is largely represented in the individual performances of the Chicago Area casinos (Elgin Casino AGR fell by 35.5% since video gaming’s inception).

It is expected that cannibalization at existing Illinois casinos is inevitable, especially those in the Chicago metropolitan area where the majority of the gaming expansion will take place. The extent that revenues from these current locations will suffer remains in question. Because of this, the overall value of tax revenue growth from gaming expansion will likely be modest after accounting for the cannibalization on existing gaming options and the factors above.

- **Tax Offsets**

As part of P.A. 101-0031, several provisions were included to assist existing casinos due to the increased competition that is created by this Act. This assistance comes in various forms, including: a hold-harmless provision that creates tax credits for the casinos if their revenue performance is adversely affected; renovation credits for certain casinos; a modified taxable base for the East St. Louis location; and a \$5 million annual distribution from the State Gaming Fund to the host municipality of the Des Plaines Casino (once the South Suburb casino begins operations). All of these items have and will continue the effect of lowering the amount ultimately distributed to the State’s general funds.

VIDEO GAMING

VIDEO GAMING

Video Gaming was first legalized in July 2009 thru P.A. 96-0034. The following section provides an overview of the legislation legalizing video gaming in Illinois, graphs and tables depicting the growth of video gaming through FY 2024, a detailed discussion on the impact that video gaming is having on the casino industry, and a look at the impact of P.A. 101-0031, P.A. 101-0648, and P.A. 103-0592 on video gaming in Illinois.

Public Act 96-0034 – The Capital Bill and Video Gaming’s Original Arrangement

In July 2009, Governor Quinn signed into law Public Act 96-0034, which became the first comprehensive capital bill in many years. The revenue streams used to pay for the new capital projects were as follows: expansion of the Sales and Use Tax; privatization of the lottery/online lottery program; increasing the liquor tax; increasing motor vehicle fees; and the legalization of video gaming machines.

Legal issues and interruptions in the implementation of many of these sources caused significant delays in receiving these capital-earmarked revenues. For video gaming, the delays included limited staffing available to oversee the new program, time-consuming background checks on operation applicants, and a longer-than-expected process of selecting and implementing a Central Communications System. Video gaming finally began operations in Illinois in September 2012, a little over three years after P.A. 96-0034 was signed into law.

In the original arrangement, each qualified establishment was allowed to operate up to 5 video gaming terminals on its premises at any time. Revenues, after payouts, were taxed at a flat 30% tax rate with 5/6 of the revenues going to the Capital Project Fund and the remaining 1/6 distributed to all participating local governments. Of the after-tax profits from a video gaming terminal, 50% was paid to the terminal operator and 50% to the establishment conducting video gaming. As shown on the next page, these limits, rates, and distributions have been since modified.

A non-refundable application fee is paid at the time an application for a license is filed with the Gaming Board. The current level of application fees is as follows:

- | | |
|-------------------------------|--|
| 1) Manufacturing: \$5,000 | 5) Technician: \$100 |
| 2) Distributor: \$5,000 | 6) Terminal Handler: \$100 (up from \$50) |
| 3) Terminal Operator: \$5,000 | 7) Establishment: \$100 |
| 4) Supplier: \$2,500 | 8) Sales Agent/Broker: \$100 (P.A. 102-0689) |

In addition, the Gaming Board establishes an annual fee for each license as follows:

- | | |
|-------------------------------|--|
| 1) Manufacturer: \$10,000 | 6) Establishments: \$100 |
| 2) Distributor: \$10,000 | 7) Video Gaming Terminal: \$100 |
| 3) Terminal Operator: \$5,000 | 8) Terminal Handler: \$100 (up from \$50) |
| 4) Supplier: \$2,000 | 9) Sales Agent/Broker: \$100 (P.A. 102-0689) |
| 5) Technician: \$100 | |

Of these fees, 25% shall be paid for the treatment of compulsive gambling and 75% shall be used for the administration of the Video Gaming Act.

Changes to Video Gaming Act since Implementation

This page describes the various changes that have been made to the Video Gaming Act since its inception in 2009. A discussion of the impact of these changes is included at the end of this section. Most of these changes are a result of P.A. 101-0031 unless otherwise noted.

- **Betting Limit Changes**

The maximum wager played per hand shall not exceed \$4 (\$2 under prior law).

- No cash award for the maximum wager on any individual hand shall exceed \$1,199 (\$500 under prior law).
- No cash award for the maximum wager on a jackpot, progressive or otherwise, shall exceed \$10,000.
- In-location bonus jackpot games are also authorized.

- **Regular Terminal Limit Increased from 5 to 6**

- The limit on video gaming terminals per establishment shall be increased from 5 to 6 terminals.

- **Truck Stop Terminal Limit Increased to 10**

- A licensed truck stop establishment (with at least 50,000 gallons or more sold) may operate up to 10 video gaming terminals on its premises at any time.

- **Tax Rate Change**

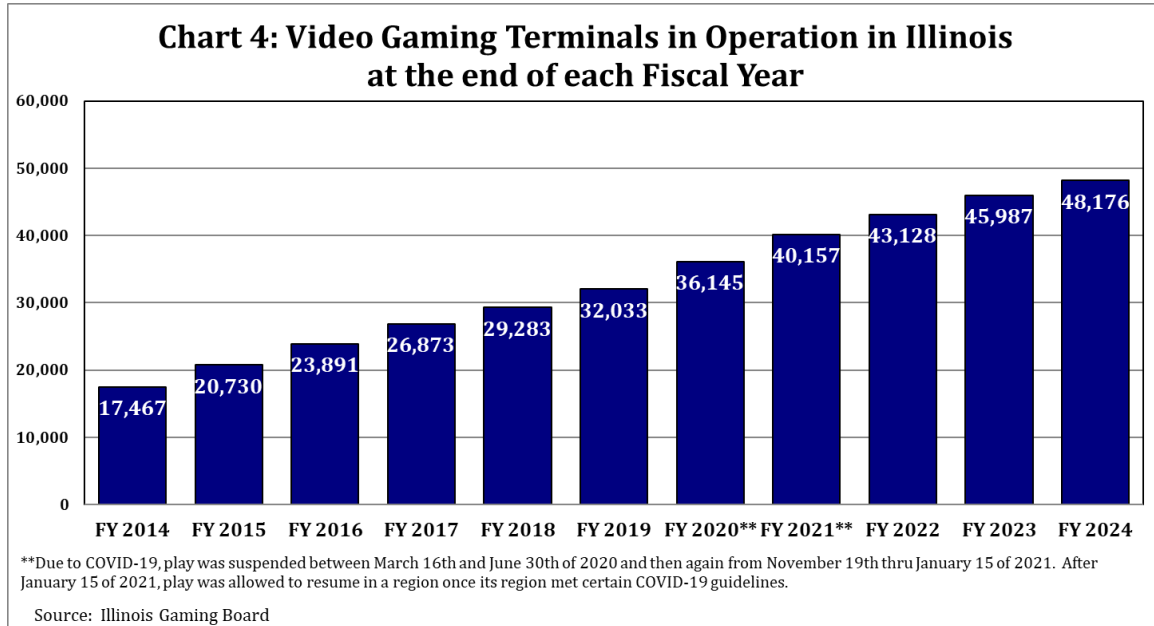
- Beginning on July 1, 2019, an additional tax of 3% is imposed on net terminal income and shall be collected by the Gaming Board (bringing the tax to 33%).
- Beginning on July 1, 2020, an additional tax of 1% is imposed on net terminal income and shall be collected by the Gaming Board (bringing the tax to 34%).
- Beginning on July 1, 2024, an additional tax of 1% is imposed on net terminal income and shall be collected by the Gaming Board (bringing the tax to 35%). This is a result of P.A. 103-0592.
- The additional tax is deposited into the Capital Projects Fund.

- **State Fair Gaming Act**

- Up to 50 video gaming terminals during the scheduled dates of the Illinois State Fair; and
- Up to 30 video gaming terminals during the scheduled dates of the DuQuoin State Fair.
- A tax is imposed at the rate of 35% of net terminal income.
- The tax revenue shall be remitted to the Gaming Board and deposited into the newly created State Fairgrounds Capital Improvements and Harness Racing Fund.
- P.A. 101-0648 modified the original legislation to provide that the Gaming Board shall issue an establishment license to the Department of Agriculture to operate video gaming at these fairs (rather than issuing the license to a concessioner).

Video Gaming Statistics

In its opening month of September 2012, 61 video gaming terminals were in operation in Illinois. By the end of FY 2024 (June 2024), this number had risen to 48,176 terminals. The chart below displays the significant growth in video gaming terminals across the State over the previous 11 years.



Between September 2012 and June 2014, an average of 838 new video gaming terminals was activated per month across Illinois. This monthly average of “new” terminals has slowed in recent years, but the industry continues to add new terminals across the State. An average of 182 new terminals per month were added in FY 2024.

The FY 2024 data shows that 6,431 of 9,170 (70.1%) establishments operated six terminals at one point during the fiscal year. In addition, there were 99 locations (assumedly truck stops) with over six terminals including two with seven terminals; five with eight; three with nine; and 89 locations maxed out at ten terminals. A breakdown of the FY 2024 data by number of terminals per location is shown in the table below.

TABLE 15: Video Gaming Statistics Grouped by Number of Terminals per Location
FY 2024 Totals

	Terminals										Total
	1	2	3	4	5	6	7	8	9	10	
# of Locations:	3	50	406	688	1,492	6,431	2	5	3	89	9,170
# of Terminals:	3	100	1,218	2,752	7,460	38,586	14	40	27	890	51,090
NTI Totals (\$ in mil):	\$0.10	\$2.2	\$22.0	\$63.1	\$252.7	\$2,471.5	\$1.3	\$4.0	\$2.7	\$113.5	\$2,932.6
NTI/Location:	\$32,481	\$44,728	\$54,181	\$91,754	\$169,359	\$384,310	\$673,758	\$796,384	\$914,383	\$1,274,922	\$319,803
NTI/Location/Day:	\$106	\$146	\$176	\$299	\$552	\$1,252	\$2,195	\$2,594	\$2,978	\$4,153	\$1,042
NTI/Terminals/Day:	\$106	\$73	\$59	\$75	\$110	\$209	\$314	\$324	\$331	\$415	\$187

While there is a limit on the number of casinos/racinos that can be in operation across the State, Illinois does not limit the number of establishments that can offer video gaming. Although, it should be noted, that some municipalities may have their own limitations for the number of video gaming terminals that can exist in their particular area. If municipality limits or bans on video gaming were to be lifted (such as in Chicago), the terminal total could grow significantly.

As the terminals have increased, so have the amounts of revenue and tax dollars generated by these machines. As shown in the table below, total net terminal income increased from \$485 million to nearly \$1.6 billion between FY 2014 and FY 2019. This resulted in tax revenue totals growing from \$146 million in FY 2014 to a high of \$478 million in FY 2019. This tax revenue total was expected to further increase in FY 2020 due to the tax rate hike from 30% to 33%. However, the outbreak of COVID-19, along with the suspension of video gaming operations between March 16th and June 30th of 2020 significantly impacted the amount of revenues collected in FY 2020. Still, \$404 million in total tax revenues were collected from the \$1.2 billion in net terminal income (taxable income) generated during the 2020 fiscal year.

Beginning in FY 2021, video gaming terminals experienced a rapid rise as other forms of wagering were limited throughout the State. This culminated in a net terminal income of \$1.934 billion. In FY 2022, this growth continued to accelerate and reached a total of \$2.632 billion. In FY 2023, video gaming revenues grew moderately from the historic high recorded during the previous year. Net terminal income levels were documented as rising a total of 7.2%; resulting in tax revenues of \$959 million. Despite increased gaming options from casinos and sports wagering, the expansion of Video Gaming continued in FY 2024. Net terminal income reached a new record of \$2.933 billion and tax revenue climbed to \$997 million, of which \$851 million went to the Capital Projects Fund and \$147 million went to local governments. These values, along with other video gaming figures, are shown in the table below.

Table 16: Illinois Video Gaming Statistics by Fiscal Year						
Fiscal Year	Terminals in Operation at end of FY	Net Terminal Income (\$ in mil)	NTI per Terminal per Day	Tax Revenue* (\$ in mil)	State Share of Total* (\$ in mil)	Local Share of Total* (\$ in mil)
FY 2014	17,467	\$485.4	\$76.14	\$145.6	\$121.4	\$24.3
FY 2015	20,730	\$804.8	\$106.36	\$241.4	\$201.2	\$40.2
FY 2016	23,891	\$1,020.8	\$117.06	\$306.2	\$255.2	\$51.0
FY 2017	26,873	\$1,202.0	\$122.55	\$360.6	\$300.5	\$60.1
FY 2018	29,283	\$1,406.5	\$131.59	\$421.9	\$351.6	\$70.3
FY 2019	32,033	\$1,592.5	\$136.21	\$477.8	\$398.1	\$79.6
FY 2020**	36,145	\$1,222.6	\$130.60	\$403.5	\$342.3	\$61.1
FY 2021**	40,157	\$1,934.0	\$156.88	\$657.6	\$560.9	\$96.7
FY 2022	43,128	\$2,632.4	\$167.23	\$895.0	\$763.4	\$131.6
FY 2023	45,987	\$2,821.1	\$168.07	\$959.2	\$818.1	\$141.1
FY 2024	48,176	\$2,932.5	\$166.77	\$997.0	\$850.5	\$146.6

* Prior to July 1, 2019, tax imposed on video gaming net terminal income was at 30% of which 5/6 of the tax revenues went to the Capital Projects Fund and the remaining 1/6 went to local governments. As of July 1, 2019, an additional tax of 3% began, bringing the tax to 33%. On July 1, 2020, the tax increased to 34%. Revenues from the additional tax are to be deposited into the Capital Projects Fund.

**Due to COVID-19, play was suspended between March 16th and June 30th of 2020 and then again from November 19th thru January 15 of 2021. After January 15 of 2021, play was allowed to resume in a region once its region met certain COVID-19 guidelines.

The graphs below display the breakout of net terminal income (taxable base) and tax revenues collected from video gaming on a fiscal year basis. Again, through FY 2019, the tax on video gaming was equal to 30% of net terminal income. From this amount, 5/6 went to the Capital Projects Fund and the remaining 1/6 of the tax revenues went to the local governments. P.A. 101-0031 increased this tax rate to 33% in FY 2020. The tax then rose to 34% in FY 2021. Beginning in FY 2025, the tax rate will rise yet again to 35%. These rate increases, along with the significant growth in net terminal income, is why the State share of tax revenues (to the Capital Projects Fund) is shown to grow significantly in Chart 6.

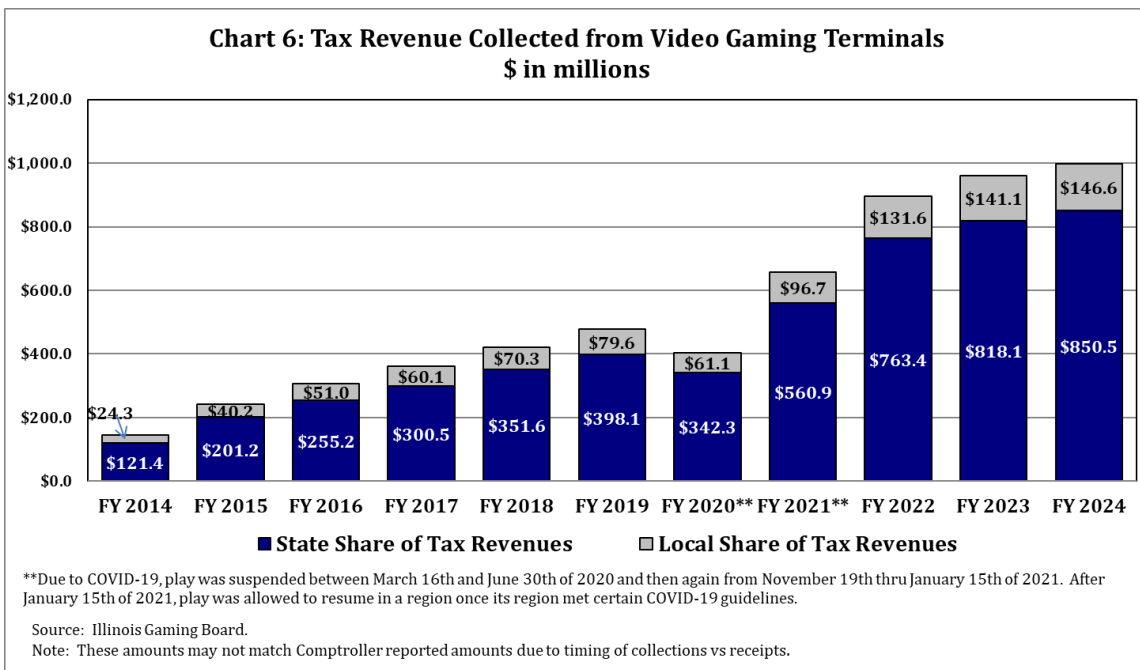
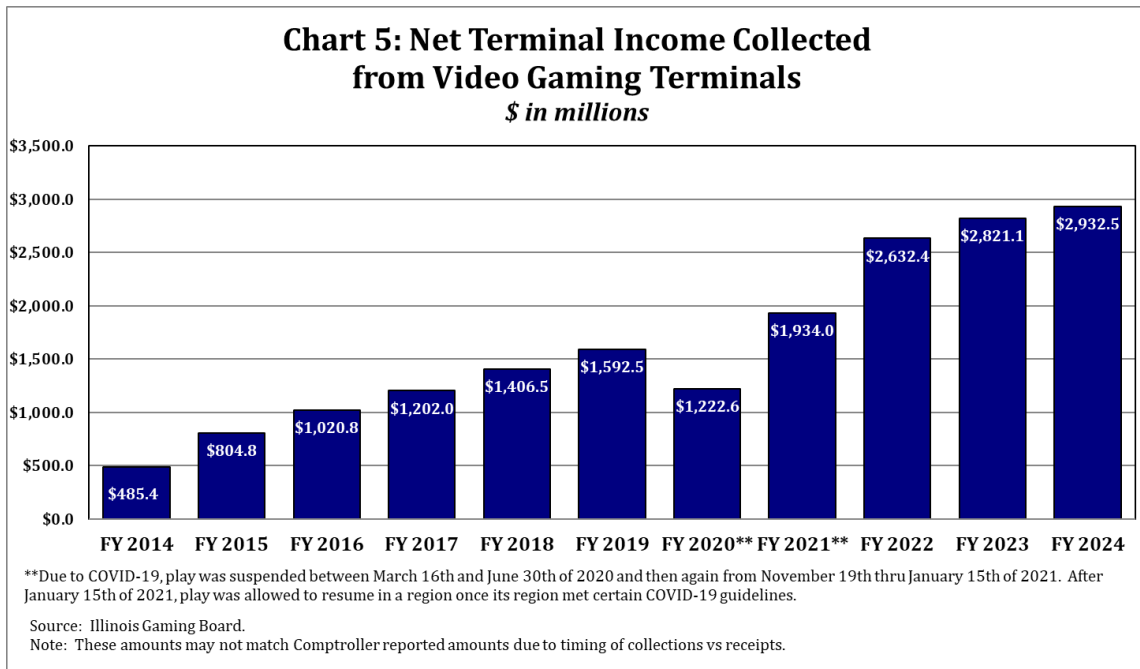


Table 17 below displays the FY 2024 figures on a county-by-county basis. Here, the terminal total for FY 2024 is listed as 51,087. This is higher than the value of 48,176 shown in Table 16 because this figure would include terminals that have since been removed from operation. In other words, the fiscal year ended with 48,176 terminals, but 51,087 terminals were used at some point during the fiscal year.

Table 17: Video Gaming Statistics by Illinois County													
FY 2024 Totals													
\$ in millions													
County	Busin- esses	Term- inals	NTI	Tax Revenue	State Portion	Local Portion	County	Busin- esses	Term- inals	NTI	Tax Revenue	State Portion	Local Portion
Totals:	9,172	51,090	\$2,932.5	\$997.0	\$850.5	\$146.6	Totals:	9,172	51,090	\$2,932.5	\$997.0	\$850.5	\$146.6
Adams	133	585	\$27.6	\$9.4	\$8.0	\$1.4	Lee	66	358	\$17.1	\$5.8	\$5.0	\$0.9
Alexander	12	60	\$2.2	\$0.7	\$0.6	\$0.1	Livingston	62	327	\$13.2	\$4.5	\$3.8	\$0.7
Bond	22	126	\$5.4	\$1.8	\$1.6	\$0.3	Logan	54	307	\$13.1	\$4.5	\$3.8	\$0.7
Boone	62	356	\$15.8	\$5.4	\$4.6	\$0.8	Macon	123	711	\$57.5	\$19.6	\$16.7	\$2.9
Brown	6	29	\$1.2	\$0.4	\$0.3	\$0.1	Macoupin	85	471	\$17.9	\$6.1	\$5.2	\$0.9
Bureau	81	428	\$13.2	\$4.5	\$3.8	\$0.7	Madison	303	1,702	\$91.1	\$31.0	\$26.4	\$4.6
Calhoun	13	66	\$1.3	\$0.5	\$0.4	\$0.1	Marion	78	449	\$21.1	\$7.2	\$6.1	\$1.1
Carroll	36	195	\$6.0	\$2.0	\$1.7	\$0.3	Marshall	23	119	\$3.9	\$1.3	\$1.1	\$0.2
Cass	26	139	\$6.9	\$2.4	\$2.0	\$0.3	Mason	35	184	\$5.8	\$2.0	\$1.7	\$0.3
Champaign	144	790	\$53.1	\$18.0	\$15.4	\$2.7	Massac	16	85	\$6.6	\$2.2	\$1.9	\$0.3
Christian	83	465	\$19.8	\$6.7	\$5.7	\$1.0	Mcdonough	27	132	\$4.2	\$1.4	\$1.2	\$0.2
Clark	25	151	\$9.8	\$3.3	\$2.8	\$0.5	McHenry	302	1,654	\$93.8	\$31.9	\$27.2	\$4.7
Clay	25	141	\$5.9	\$2.0	\$1.7	\$0.3	Mclean	135	699	\$48.6	\$16.5	\$14.1	\$2.4
Clinton	70	383	\$15.9	\$5.4	\$4.6	\$0.8	Menard	18	99	\$3.8	\$1.3	\$1.1	\$0.2
Coles	62	356	\$21.0	\$7.1	\$6.1	\$1.1	Mercer	22	107	\$2.6	\$0.9	\$0.7	\$0.1
Cook	1,542	8,884	\$656.3	\$223.1	\$190.3	\$32.8	Monroe	42	227	\$11.8	\$4.0	\$3.4	\$0.6
Crawford	25	142	\$4.1	\$1.4	\$1.2	\$0.2	Montgomery	59	336	\$13.9	\$4.7	\$4.0	\$0.7
Cumberland	18	106	\$3.4	\$1.2	\$1.0	\$0.2	Morgan	61	331	\$18.2	\$6.2	\$5.3	\$0.9
De Witt	27	157	\$7.8	\$2.6	\$2.3	\$0.4	Moultrie	20	106	\$4.0	\$1.4	\$1.2	\$0.2
Dekalb	79	429	\$21.5	\$7.3	\$6.2	\$1.1	Ogle	89	498	\$21.2	\$7.2	\$6.1	\$1.1
Douglas	38	215	\$7.4	\$2.5	\$2.1	\$0.4	Peoria	191	1,030	\$57.7	\$19.6	\$16.7	\$2.9
DuPage	313	1,773	\$144.1	\$49.0	\$41.8	\$7.2	Perry	34	195	\$7.6	\$2.6	\$2.2	\$0.4
Edgar	22	116	\$6.2	\$2.1	\$1.8	\$0.3	Piatt	21	115	\$4.7	\$1.6	\$1.4	\$0.2
Edwards	9	49	\$1.1	\$0.4	\$0.3	\$0.1	Pike	33	181	\$6.4	\$2.2	\$1.9	\$0.3
Effingham	71	395	\$21.4	\$7.3	\$6.2	\$1.1	Pope	5	22	\$0.6	\$0.2	\$0.2	\$0.0
Fayette	31	181	\$8.9	\$3.0	\$2.6	\$0.4	Pulaski	10	57	\$1.5	\$0.5	\$0.4	\$0.1
Ford	26	135	\$4.3	\$1.5	\$1.3	\$0.2	Putnam	14	69	\$1.3	\$0.4	\$0.4	\$0.1
Franklin	78	436	\$18.5	\$6.3	\$5.4	\$0.9	Randolph	67	375	\$16.2	\$5.5	\$4.7	\$0.8
Fulton	56	306	\$12.1	\$4.1	\$3.5	\$0.6	Richland	22	119	\$5.2	\$1.8	\$1.5	\$0.3
Gallatin	10	54	\$1.6	\$0.6	\$0.5	\$0.1	Rock Island	142	737	\$38.8	\$13.2	\$11.2	\$1.9
Greene	24	135	\$5.3	\$1.8	\$1.6	\$0.3	Saline	39	223	\$8.9	\$3.0	\$2.6	\$0.4
Grundy	77	418	\$21.3	\$7.3	\$6.2	\$1.1	Sangamon	316	1,779	\$104.9	\$35.7	\$30.4	\$5.2
Hamilton	6	36	\$1.4	\$0.5	\$0.4	\$0.1	Schuyler	8	41	\$1.9	\$0.7	\$0.6	\$0.1
Hancock	34	170	\$5.5	\$1.9	\$1.6	\$0.3	Scott	11	58	\$2.1	\$0.7	\$0.6	\$0.1
Hardin	4	24	\$0.6	\$0.2	\$0.2	\$0.0	Shelby	38	206	\$8.4	\$2.9	\$2.4	\$0.4
Henderson	14	66	\$2.3	\$0.8	\$0.7	\$0.1	St. Clair	274	1,538	\$92.9	\$31.6	\$26.9	\$4.6
Henry	72	402	\$15.8	\$5.4	\$4.6	\$0.8	Stark	9	45	\$1.3	\$0.4	\$0.4	\$0.1
Iroquois	62	339	\$11.5	\$3.9	\$3.3	\$0.6	Stephenson	68	381	\$18.7	\$6.3	\$5.4	\$0.9
Jackson	54	282	\$12.4	\$4.2	\$3.6	\$0.6	Tazewell	133	731	\$41.3	\$14.0	\$12.0	\$2.1
Jasper	18	93	\$3.1	\$1.0	\$0.9	\$0.2	Union	25	144	\$5.3	\$1.8	\$1.5	\$0.3
Jefferson	51	303	\$20.1	\$6.8	\$5.8	\$1.0	Vermilion	107	610	\$31.9	\$10.9	\$9.3	\$1.6
Jersey	37	183	\$6.2	\$2.1	\$1.8	\$0.3	Wabash	16	88	\$2.6	\$0.9	\$0.8	\$0.1
Jo Daviess	49	269	\$11.1	\$3.8	\$3.2	\$0.6	Warren	22	115	\$4.6	\$1.6	\$1.3	\$0.2
Johnson	12	67	\$2.0	\$0.7	\$0.6	\$0.1	Washington	35	195	\$7.4	\$2.5	\$2.2	\$0.4
Kane	273	1,522	\$94.7	\$32.2	\$27.5	\$4.7	Wayne	18	103	\$4.9	\$1.7	\$1.4	\$0.2
Kankakee	137	769	\$40.1	\$13.6	\$11.6	\$2.0	White	23	120	\$5.5	\$1.9	\$1.6	\$0.3
Kendall	81	451	\$27.5	\$9.3	\$8.0	\$1.4	Whiteside	100	569	\$26.5	\$9.0	\$7.7	\$1.3
Knox	68	372	\$19.1	\$6.5	\$5.5	\$1.0	Will	388	2,210	\$146.4	\$49.8	\$42.5	\$7.3
La Salle	278	1,512	\$60.7	\$20.6	\$17.6	\$3.0	Williamson	98	559	\$26.2	\$8.9	\$7.6	\$1.3
Lake	392	2,254	\$157.4	\$53.5	\$45.6	\$7.9	Winnebago	315	1,800	\$122.0	\$41.5	\$35.4	\$6.1
Lawrence	33	190	\$9.6	\$3.3	\$2.8	\$0.5	Woodford	39	196	\$6.8	\$2.3	\$2.0	\$0.3
							State Fairs	10	72	\$1.1	\$0.4	\$0.4	\$0.0
Chi Area*	3,447	19,595	\$1,363.0	\$463.4	\$395.3	\$68.1	% in Chi Area*	37.6%	38.4%	46.5%	46.5%	46.5%	46.5%

*The Chicago Metropolitan Statistical Area is defined by the Census Bureau to include the Illinois Counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, Will, and Lake.

Source: <http://www.igb.illinois.gov/VideoReports.aspx>. County compilations by CGFA.

Table 18, below, displays the video gaming statistics shown in Table 17 on a per-capita basis. Statewide, the average terminal-per-capita value was 0.40% or 4.0 per 1,000 people. The net terminal income-per-capita value was \$228.88. The rankings of the counties' values in these areas are also displayed in the below table. These figures are displayed by their rankings in each category on the following page.

Table 18: Video Gaming Statistics per County Population											
FY 2024 Totals											
County	Terminals	Terminal per Capita	Terminal per Capita Rank	NTI per Capita	NTI per Capita Rank	County	Terminals	Terminal per Capita	Terminal per Capita Rank	NTI per Capita	NTI per Capita Rank
State Totals:	51,090	0.40%		\$228.88		State Totals:	51,090	0.40%		\$228.88	
Adams	585	0.89%	47	\$419.13	31	Lee	358	1.05%	27	\$501.90	15
Alexander	60	1.15%	18	\$412.44	35	Livingston	327	0.91%	44	\$368.22	49
Bond	126	0.75%	64	\$322.17	61	Logan	307	1.10%	22	\$469.82	20
Boone	356	0.67%	74	\$295.84	72	Macon	711	0.68%	71	\$552.97	7
Brown	29	0.46%	92	\$189.38	91	Macoupin	471	1.05%	28	\$398.39	39
Bureau	428	1.29%	6	\$396.07	40	Madison	1,702	0.64%	77	\$342.56	54
Calhoun	66	1.49%	1	\$302.54	69	Marion	449	1.19%	14	\$559.30	5
Carroll	195	1.24%	10	\$381.49	43	Marshall	119	1.01%	33	\$331.48	57
Cass	139	1.07%	25	\$530.26	25	Mason	184	1.41%	3	\$446.80	23
Champaign	790	0.38%	96	\$257.87	81	Massac	85	0.60%	80	\$466.37	21
Christian	465	1.37%	5	\$582.34	4	Mcdonough	132	0.48%	91	\$154.56	98
Clark	151	0.98%	39	\$631.33	1	McHenry	1,654	0.53%	86	\$302.20	70
Clay	141	1.06%	26	\$441.71	25	McLean	699	0.41%	95	\$284.40	75
Clinton	383	1.04%	29	\$430.40	28	Menard	99	0.81%	58	\$307.49	68
Coles	356	0.76%	63	\$448.45	22	Mercer	107	0.68%	73	\$164.74	96
Cook	8,884	0.17%	102	\$124.40	102	Monroe	227	0.65%	76	\$337.09	55
Crawford	142	0.76%	62	\$218.66	87	Montgomery	336	1.19%	15	\$491.13	17
Cumberland	106	1.01%	32	\$326.49	60	Morgan	331	1.01%	35	\$552.88	8
De Witt	157	1.01%	34	\$501.01	16	Moultrie	106	0.73%	67	\$273.98	78
Dekalb	429	0.43%	94	\$214.53	88	Ogle	498	0.96%	41	\$409.11	36
Douglas	215	1.09%	24	\$373.75	46	Peoria	1,030	0.57%	84	\$317.47	64
DuPage	1,773	0.19%	101	\$154.51	100	Perry	195	0.93%	43	\$365.00	50
Edgar	116	0.69%	70	\$368.55	48	Piatt	115	0.69%	69	\$281.18	77
Edwards	49	0.78%	60	\$175.37	95	Pike	181	1.23%	11	\$436.89	26
Effingham	395	1.14%	19	\$617.20	3	Pope	22	0.58%	83	\$156.38	97
Fayette	181	0.84%	51	\$413.76	34	Pulaski	57	1.10%	21	\$295.29	73
Ford	135	1.00%	37	\$320.10	63	Putnam	69	1.22%	12	\$226.59	85
Franklin	436	1.15%	17	\$489.32	18	Randolph	375	1.24%	9	\$538.12	11
Fulton	306	0.91%	45	\$359.83	52	Richland	119	0.75%	65	\$326.54	59
Gallatin	54	1.09%	23	\$333.45	56	Rock Island	737	0.51%	89	\$268.11	80
Greene	135	1.13%	20	\$446.07	24	Saline	223	0.94%	42	\$375.91	45
Grundy	418	0.80%	59	\$405.93	37	Sangamon	1,779	0.91%	46	\$534.47	12
Hamilton	36	0.45%	93	\$179.33	93	Schuyler	41	0.59%	82	\$281.57	76
Hancock	170	0.96%	40	\$309.90	66	Scott	58	1.17%	16	\$417.65	33
Hardin	24	0.66%	75	\$154.53	99	Shelby	206	0.98%	38	\$402.36	38
Henderson	66	1.03%	30	\$353.79	53	St. Clair	1,538	0.60%	81	\$360.74	51
Henry	402	0.82%	57	\$320.30	62	Stark	45	0.83%	53	\$240.54	82
Iroquois	339	1.25%	7	\$423.24	30	Stephenson	381	0.85%	49	\$418.43	32
Jackson	282	0.53%	87	\$233.27	83	Tazewell	731	0.56%	85	\$314.28	65
Jasper	93	1.00%	36	\$329.70	58	Union	144	0.84%	52	\$309.37	67
Jefferson	303	0.82%	56	\$541.82	9	Vermilion	610	0.82%	55	\$430.56	27
Jersey	183	0.85%	50	\$287.70	74	Wabash	88	0.77%	61	\$231.55	84
Jo Daviess	269	1.22%	13	\$503.02	14	Warren	115	0.68%	72	\$270.90	79
Johnson	67	0.50%	90	\$150.55	101	Washington	195	1.42%	2	\$539.28	10
Kane	1,522	0.29%	100	\$183.28	92	Wayne	103	0.64%	78	\$301.60	71
Kankakee	769	0.72%	68	\$373.36	47	White	120	0.86%	48	\$394.14	41
Kendall	451	0.34%	97	\$208.24	90	Whiteside	569	1.02%	31	\$476.72	19
Knox	372	0.74%	66	\$381.36	44	Will	2,210	0.32%	98	\$210.29	89
La Salle	1,512	1.38%	4	\$553.76	6	Williamson	559	0.83%	54	\$390.79	42
Lake	2,254	0.32%	99	\$220.30	86	Winnebago	1,800	0.63%	79	\$427.64	29
Lawrence	190	1.24%	8	\$629.11	2	Woodford	196	0.51%	88	\$176.61	94
						State Fairs	72	N/A	N/A	N/A	N/A
Metro Area*	19,595	0.22%		\$156.11		% in Chi Area*:	38.4%				

*The Chicago Metropolitan Statistical Area is defined by the Census Bureau to include the Illinois Counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, Will, and Lake.

Source: <http://www.igb.illinois.gov/VideoReports.aspx>. County compilations by CGFA.

There are several interesting observations that can be taken from the county rankings shown below. One is in regard to Cook County. Despite the fact that the City of Chicago is not participating in video gaming (see page 43), Cook County still had by far the most video gaming terminals of any county in the State in FY 2024 with 8,884 terminals and the highest amount of net terminal income collected with a value of \$656.3 million. However, on a per capita basis, because of Chicago's absence, Cook County ranks at the bottom in terminal per capita (ranked 102 of 102) and at the bottom in net terminal income (NTI) per capita (ranked 102 of 102).

Calhoun County ranked first in terminals per 1,000 people with a rate of 14.9, followed by Washington County (14.2) and Mason County (14.1). Again, the lowest ranked county in this category was Cook County with a value of 1.7. In terms of NTI per capita, Clark County ranked first with a value of \$631, followed by Lawrence County (\$629), and Effingham County (\$617). Ranked last in this category was Cook County, followed by Johnson County and DuPage County.

Table 19: Video Gaming Statistics by County Ranking											
FY 2024 Totals											
Rank	County	Terminals	Rank	County	Terminals per Capita	Rank	County	NTI (\$ in mil)	Rank	County	NTI per Capita
"TOP TWENTY COUNTIES"											
1	Cook	8,884	1	Calhoun	1.49%	1	Cook	\$656.3	1	Clark	\$631
2	Lake	2,254	2	Washington	1.42%	2	Lake	\$157.4	2	Lawrence	\$629
3	Will	2,210	3	Mason	1.41%	3	Will	\$146.4	3	Effingham	\$617
4	Winnebago	1,800	4	La Salle	1.38%	4	DuPage	\$144.1	4	Christian	\$582
5	Sangamon	1,779	5	Christian	1.37%	5	Winnebago	\$122.0	5	Marion	\$559
6	DuPage	1,773	6	Bureau	1.29%	6	Sangamon	\$104.9	6	La Salle	\$554
7	Madison	1,702	7	Iroquois	1.25%	7	Kane	\$94.7	7	Macon	\$553
8	McHenry	1,654	8	Lawrence	1.24%	8	McHenry	\$93.8	8	Morgan	\$553
9	St. Clair	1,538	9	Randolph	1.24%	9	St. Clair	\$92.9	9	Jefferson	\$542
10	Kane	1,522	10	Carroll	1.24%	10	Madison	\$91.1	10	Washington	\$539
11	La Salle	1,512	11	Pike	1.23%	11	La Salle	\$60.7	11	Randolph	\$538
12	Peoria	1,030	12	Putnam	1.22%	12	Peoria	\$57.7	12	Sangamon	\$534
13	Champaign	790	13	Jo Daviess	1.22%	13	Macon	\$57.5	13	Cass	\$530
14	Kankakee	769	14	Marion	1.19%	14	Champaign	\$53.1	14	Jo Daviess	\$503
15	Rock Island	737	15	Montgomery	1.19%	15	McLean	\$48.6	15	Lee	\$502
16	Tazewell	731	16	Scott	1.17%	16	Tazewell	\$41.3	16	De Witt	\$501
17	Macon	711	17	Franklin	1.15%	17	Kankakee	\$40.1	17	Montgomery	\$491
18	McLean	699	18	Alexander	1.15%	18	Rock Island	\$38.8	18	Franklin	\$489
19	Vermilion	610	19	Effingham	1.14%	19	Vermilion	\$31.9	19	Whiteside	\$477
20	Adams	585	20	Greene	1.13%	20	Adams	\$27.6	20	Logan	\$470
"BOTTOM TWENTY COUNTIES"											
83	Wayne	103	83	Pope	0.58%	83	Menard	\$3.8	83	Jackson	\$233
84	Menard	99	84	Peoria	0.57%	84	Cumberland	\$3.4	84	Wabash	\$232
85	Jasper	93	85	Tazewell	0.56%	85	Jasper	\$3.1	85	Putnam	\$227
86	Wabash	88	86	McHenry	0.53%	86	Wabash	\$2.6	86	Lake	\$220
87	Massac	85	87	Jackson	0.53%	87	Mercer	\$2.6	87	Crawford	\$219
88	Putnam	69	88	Woodford	0.51%	88	Henderson	\$2.3	88	Dekalb	\$215
89	Johnson	67	89	Rock Island	0.51%	89	Alexander	\$2.2	89	Will	\$210
90	Henderson	66	90	Johnson	0.50%	90	Scott	\$2.1	90	Kendall	\$208
91	Calhoun	66	91	Mcdonough	0.48%	91	Johnson	\$2.0	91	Brown	\$189
92	Alexander	60	92	Brown	0.46%	92	Schuyler	\$1.9	92	Kane	\$183
93	Scott	58	93	Hamilton	0.45%	93	Gallatin	\$1.6	93	Hamilton	\$179
94	Pulaski	57	94	Dekalb	0.43%	94	Pulaski	\$1.5	94	Woodford	\$177
95	Gallatin	54	95	McLean	0.41%	95	Hamilton	\$1.4	95	Edwards	\$175
96	Edwards	49	96	Champaign	0.38%	96	Calhoun	\$1.3	96	Mercer	\$165
97	Stark	45	97	Kendall	0.34%	97	Stark	\$1.3	97	Pope	\$156
98	Schuyler	41	98	Will	0.32%	98	Putnam	\$1.3	98	Mcdonough	\$155
99	Hamilton	36	99	Lake	0.32%	99	Brown	\$1.2	99	Hardin	\$155
100	Brown	29	100	Kane	0.29%	100	Edwards	\$1.1	100	DuPage	\$155
101	Hardin	24	101	DuPage	0.19%	101	Pope	\$0.6	101	Johnson	\$151
102	Pope	22	102	Cook	0.17%	102	Hardin	\$0.6	102	Cook	\$124

Source: <http://www.igb.illinois.gov/VideoReports.aspx>. County compilations by CGFA.

Behind Cook County, Lake County had the second highest number of both video gaming terminals and net terminal income in the State. Coming in third in the amount of net terminal income generated was Will County. A major reason for this is that several cities with substantial net terminal income (Joliet, Aurora, and Naperville) reside within Will County.

Springfield had the highest number of terminals in the State in FY 2024 at 837 terminals, as well as the highest amount of net terminal income with \$50.8 million collected. Decatur took the 2nd spot for net terminal income in FY 2024 generating \$46.9 million, but ranked 4th in terms of number of terminals with 531.

Below is a list of the top 25 municipalities with video gaming in Illinois in FY 2024. Here, the municipalities are ranked according to terminals and according to net terminal income. Next to the net terminal income column is the amount of tax revenue generated in FY 2024 from these locations and distributed to the State (Capital Projects Fund) and to the local governments.

Table 20: Top Municipalities with Video Gaming FY 2024 Totals								
Rank	Municipality*	Terminals	Rank	Municipality*	Net Terminal Income (taxable base)	Tax Revenue	State Tax Share	Local Tax Share
1	Springfield	837	1	Springfield	\$50.8	\$15.2	\$12.7	\$2.5
2	Joliet	558	2	Decatur	\$46.9	\$14.1	\$11.7	\$2.3
3	Rockford	535	3	Rockford	\$40.3	\$12.1	\$10.1	\$2.0
4	Decatur	531	4	Cicero	\$36.0	\$10.8	\$9.0	\$1.8
5	Loves Park	463	5	Joliet	\$34.5	\$10.3	\$8.6	\$1.7
6	Cicero	455	6	Waukegan	\$29.2	\$8.8	\$7.3	\$1.5
7	Quincy	415	7	Loves Park	\$28.0	\$8.4	\$7.0	\$1.4
8	Lake County	390	8	Bloomington	\$25.1	\$7.5	\$6.3	\$1.3
9	Peoria	372	9	Cook County	\$24.7	\$7.4	\$6.2	\$1.2
10	Waukegan	353	10	Champaign	\$24.4	\$7.3	\$6.1	\$1.2
11	Berwyn	353	11	Peoria	\$23.8	\$7.1	\$5.9	\$1.2
12	Bloomington	300	12	Oak Lawn	\$22.8	\$6.8	\$5.7	\$1.1
13	Sangamon County	294	13	Quincy	\$22.5	\$6.8	\$5.6	\$1.1
14	Champaign	281	14	Lake County	\$22.4	\$6.7	\$5.6	\$1.1
15	Cook County	277	15	Tinley Park	\$21.9	\$6.6	\$5.5	\$1.1
16	Kankakee	275	16	Sangamon County	\$20.1	\$6.0	\$5.0	\$1.0
17	Oak Lawn	274	17	Niles	\$18.6	\$5.6	\$4.7	\$0.9
18	Ottawa	247	18	Berwyn	\$18.3	\$5.5	\$4.6	\$0.9
19	Pekin	246	19	Mount Vernon	\$16.8	\$5.0	\$4.2	\$0.8
20	McHenry	246	20	Alsip	\$16.3	\$4.9	\$4.1	\$0.8
21	Tinley Park	243	21	Elmwood Park	\$16.3	\$4.9	\$4.1	\$0.8
22	Crestwood	240	22	Melrose Park	\$15.6	\$4.7	\$3.9	\$0.8
23	Belleville	239	23	Aurora	\$15.6	\$4.7	\$3.9	\$0.8
24	Mount Vernon	232	24	New Lenox	\$14.9	\$4.5	\$3.7	\$0.7
25	Taylorville	228	25	Pekin	\$14.5	\$4.4	\$3.6	\$0.7

*When a "county" is listed above, it is referring to the unincorporated totals of that particular county.

Local Governments Banning Video Gaming

While the Video Gaming Act allows video gaming terminals to be located throughout Illinois, it does state that a municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. Similarly, a county board may, for the unincorporated area of the county, pass an ordinance prohibiting video gaming within the unincorporated area of the county.

During the years before video gaming came to fruition, the number of municipalities/counties that had laws banning video gaming grew. Some made the decision to ban video gaming in their communities following the enactment of video gaming, while some discovered that a ban on gambling in their jurisdiction was already “on the books”. In these cases, local governments would have to vote to “opt in” to allow video gambling, which can often be a political challenge.

The City of Chicago is one of those communities that already had on its books a provision that outlaws video gaming in its city. Because of this, the City of Chicago must “opt-in” to allow video gaming in their area. At the present time, there has been no public indication that the City plans on changing the law to allow Chicago establishments the opportunity to offer video gaming in their locations. Since Chicago makes up approximately 21.2% of the State’s population (2022 population estimate), this has a huge impact on potential video gaming revenues.

On its website, the Illinois Gaming Board has established a page which identifies the municipalities across Illinois and their status of whether or not they allow video gaming in their area. This site can be accessed at:

www.igb.illinois.gov/VideoProhibit.aspx

In 2013, at the onset of video gaming in Illinois, the Commission calculated that the percentage of the State’s population that lived in an area banning video gaming was at 63.3%. The FY 2024 data shows that the percentage of Illinois communities without video gaming has fallen to approximately 31%, which indicates a marked decrease in communities prohibiting video gaming. As local governments search for additional revenues, more municipalities may turn to video gaming as a new revenue source. Again, those communities that offer video gaming are set to receive 5% (out of the FY 2024 34% tax) of total revenues collected. As the need for additional local revenues grows, so does the pressure to overturn the ban.

For example, several of the higher populated municipalities that have been in the aforementioned table over the past several years are no longer included because they now allow video gaming. These include Palatine, Downers Grove, Buffalo Grove, Crystal Lake, Lombard, Mount Prospect, Niles, Orland Park, Schaumburg, and St. Charles.

**Table 21: Highest Populated Cities w/o Video Gaming
FY 2024 Totals**

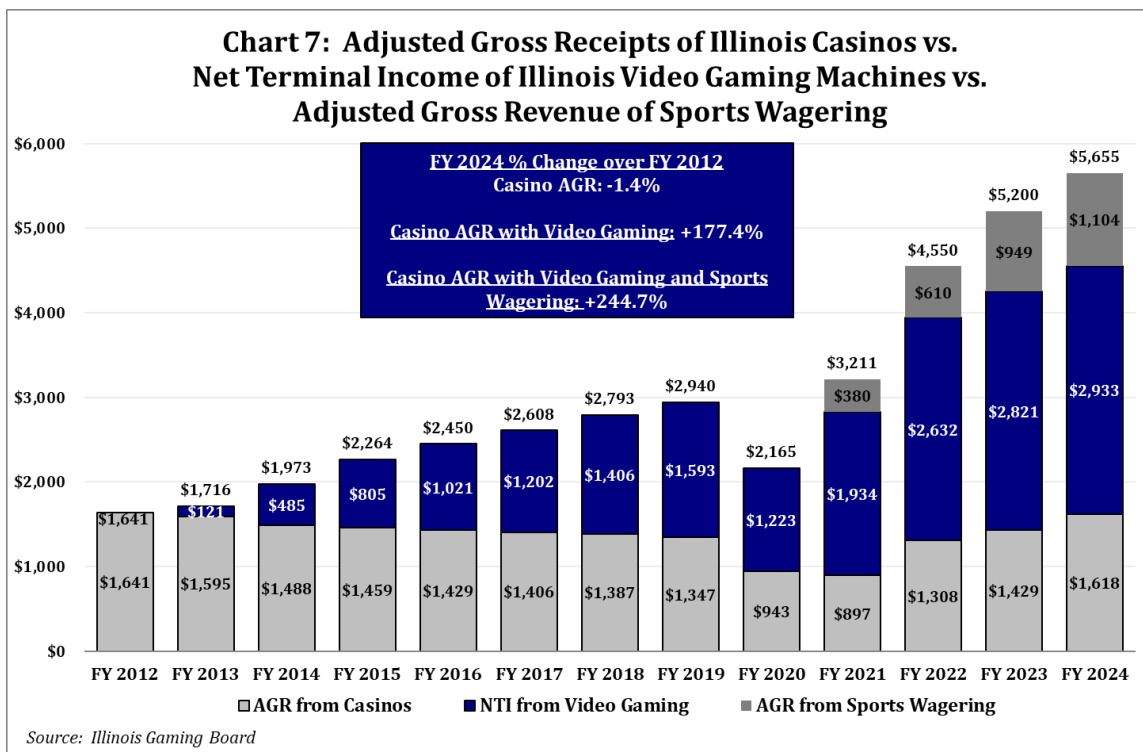
Rank	Municipality	2022 Population Estimate	% of State Population
1	Chicago	2,665,039	21.2%
2	Naperville	149,936	1.2%
3	Evanston	75,544	0.6%
4	Arlington Heights	75,195	0.6%
5	Bolingbrook	74,031	0.6%
6	Skokie	65,497	0.5%
7	Des Plaines	58,594	0.5%
8	Wheaton	52,984	0.4%
9	Oak Park	52,553	0.4%
10	Glenview	47,258	0.4%
11	Park Ridge	38,278	0.3%
12	Northbrook	34,182	0.3%
13	Highland Park	30,163	0.2%
14	Glen Ellyn	28,364	0.2%
15	Wilmette	27,264	0.2%
16	Vernon Hills	26,759	0.2%
17	Geneva	21,228	0.2%
18	Grayslake	20,958	0.2%
19	South Holland	20,685	0.2%
20	Libertyville	20,402	0.2%
21	Lake Forest	19,252	0.2%
22	Deerfield	18,950	0.2%
23	East St. Louis	17,919	0.1%
24	Hinsdale	17,235	0.1%
25	LaGrange	15,821	0.1%

Video Gaming and Its Impact on Casinos

While video gaming has seen steady growth since its inception in 2012 [outside of the pandemic disruptions], the AGR of Illinois casinos have struggled during this time period. The numbers suggest that a significant amount of wagering dollars seemed to have been converted into video gaming related net terminal income, especially in the years prior to casino expansion.

For example, After the COVID-19 related shutdowns, AGR levels of Illinois casinos were slow to return with a FY 2021 decline of 4.8%. On the other hand, video gaming net terminal income during this time period experienced a sharp increase of 30.8%. It appears that Illinois gamblers chose the convenience and smaller crowds of the video gaming parlors over the larger and more public casinos. Video gaming locations have been perceived as a “safer” option to gamble, which has aided in elevating these video gaming figures. This is just one example of the shift of gaming dollars from casinos to convenient video gaming establishments over the last decade.

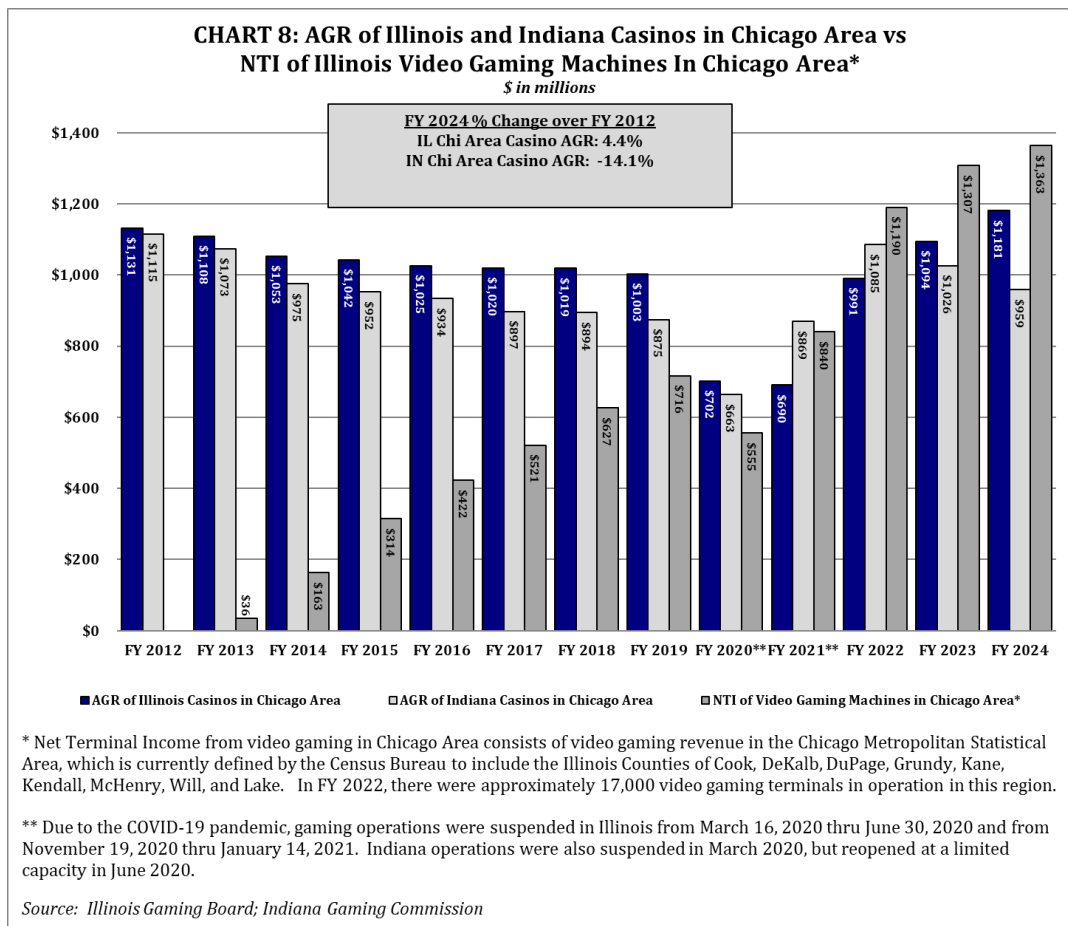
It should be stressed that despite the ups and downs of the casino industry, when combined with video gaming totals, gambling as a whole has been on a significant upward trajectory for the State of Illinois. Between FY 2012 and FY 2024, adjusted gross receipts have fallen 1.4% from \$1.641 billion to \$1.618 billion. However, when including video gaming revenues, overall gaming revenues have increased from \$1.641 billion to \$4.551 billion, an increase of 177.4%. This total rises even higher to \$5.655 billion (+244.7%) when including the AGR from sports wagering (discussed on page 83). These results are illustrated in the graph below.



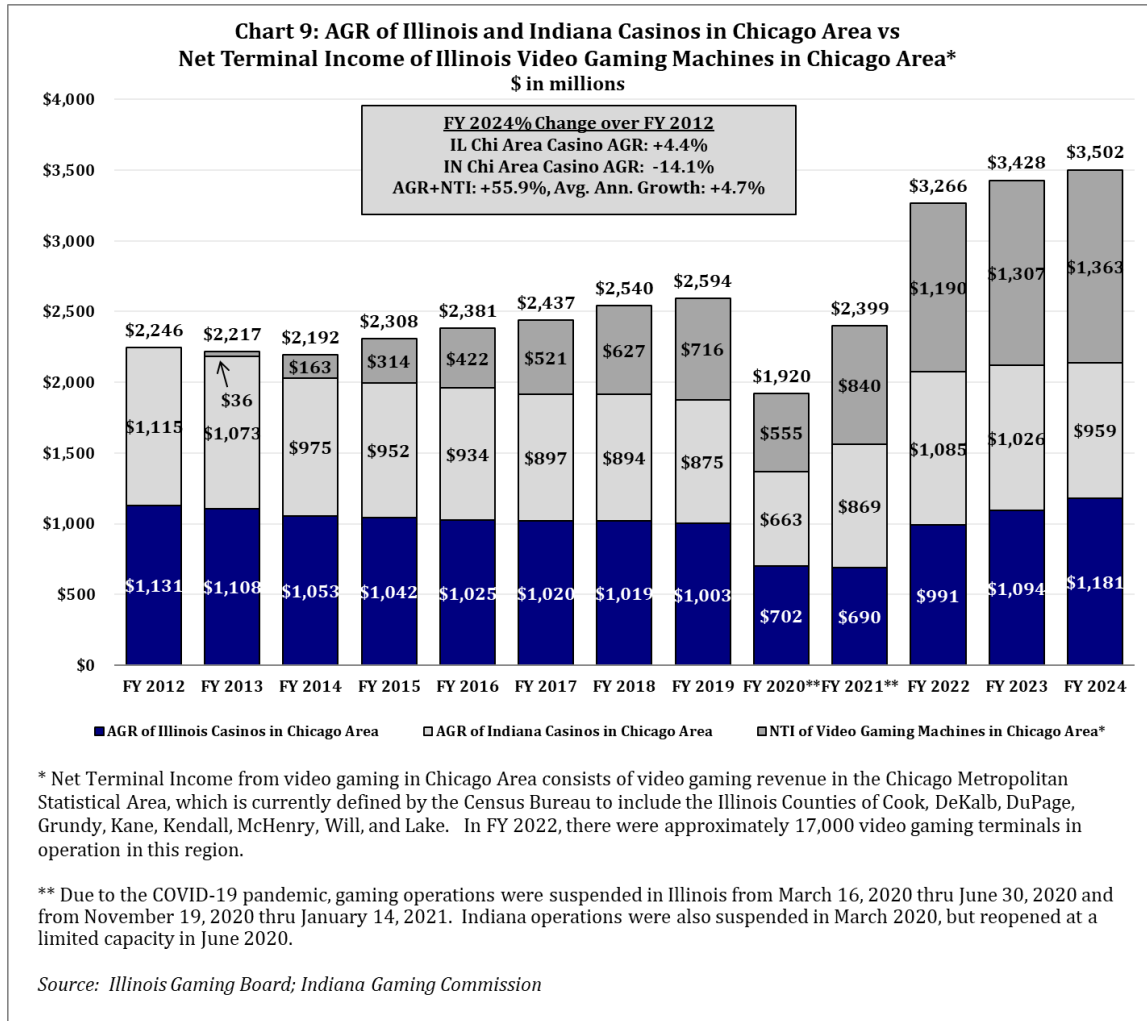
Video gaming’s impact on the casino industry has been especially noticeable in the Chicago region. As shown at the bottom of the county-by-county video gaming table on page 40, there are now over 3,400 businesses in the Chicago Metropolitan Statistical Area (which is defined by the Census Bureau to include the Illinois counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, Will, and Lake) that offer video gaming. These locations are the home to over 19,000 video gaming terminals. It is estimated that over \$1.3 billion in video gaming net terminal income came from communities in the Chicago Area in FY 2024.

Chicago-area casinos have seen their AGR totals increase by 4.4% since video gaming’s legalization in 2012. However, the recent resurgence in Chicago area casino AGR totals is largely a result of more casinos in that region as opposed to superior individual performance across existing casinos. In fact, video gaming has likely contributed to the falloff amongst individual casino AGR totals.

In addition, there are several Indiana casinos within a short drive of the Chicago Area in the communities of East Chicago, Gary, Hammond, and Michigan City. These Indiana casinos had seen their AGR totals fall from \$1.115 billion in FY 2012 to \$959 million in FY 2024, a decline of -14.1%. While, the Rivers Casino likely contributed to this downturn, competition from Illinois’ video gaming machines no doubt contributed as well. As shown in the chart below, the Indiana total, while improved, falls short of the video gaming revenues generated nearby in Illinois.



When combining the receipts of all of the casinos in the Chicago Metropolitan Area (Illinois and Indiana casinos), adjusted gross receipts totaled \$2.246 billion in FY 2012. As shown below, when the Chicago Area video gaming figures are added to the casino figures, overall gaming in the Chicago Area has shown some modest growth, primarily due to steady growth in video gaming and new casino offerings. Collectively, total gaming in this area rose from \$2.246 billion in FY 2012 to \$3.502 billion in FY 2024. This results in an eleven-year change in combined gaming revenues of 55.9%, an average increase of 4.7% per year.



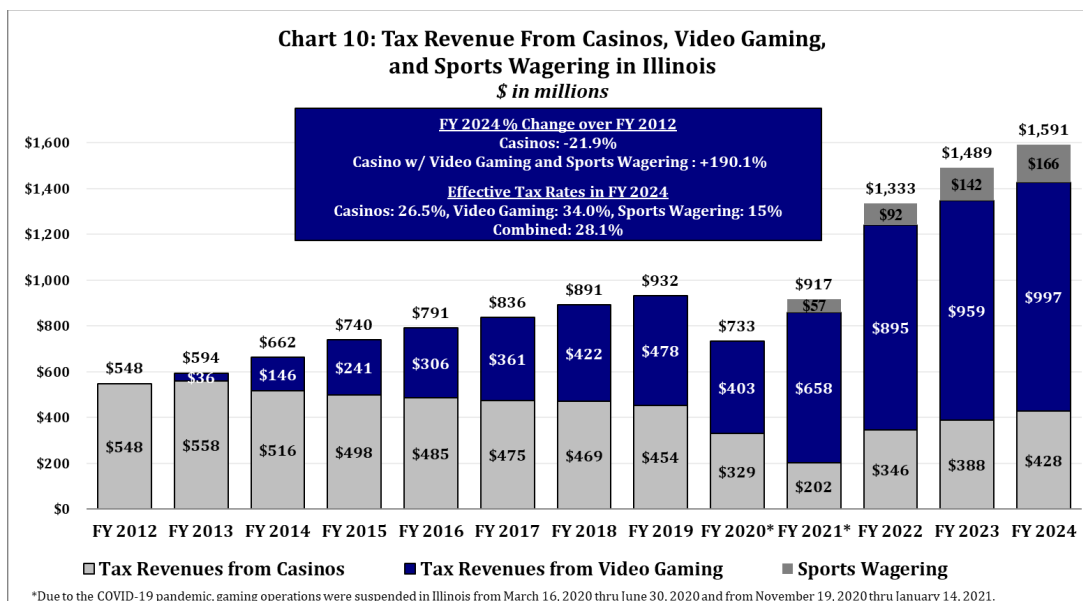
The numbers in the previous graph show that Indiana AGR experienced a moderate recovery in FY 2022, but has since stagnated. Prior to FY 2022, the area had seen very little growth in gaming dollars between FY 2012 and FY 2021. To some extent, it appears that video gaming simply “reshuffled the deck chairs” by having the effect of reducing casino revenue streams and redistributing casino gaming revenues to the numerous video gaming establishments that now reside in this region. The stabilization or slight decline in Indiana’s AGR is likely to continue as steady growth in video gaming terminals and the construction of new casinos further competition for the Illinois gaming dollar.

Oversaturation remains a primary concern in Illinois' gaming outlook. The Chicago Area, which continues to see the development of new casino offerings, is currently home to over 7,600 casino positions and now has over 19,000 additional video gaming terminals in its region, with likely more to come. As more gambling opportunities arrive in the form of new casinos, the competition for the gaming dollar in this area will be larger than ever and “winners” and “losers” should be anticipated. How much gaming can this area handle? That remains to be seen.

What kind of impact has video gaming had on the tax revenues from all gaming sources? Since video gaming's legalization in FY 2012, tax revenues have grown steadily. In FY 2012, the taxes imposed on the Illinois casinos (admission tax and the graduated tax on adjusted gross receipts) generated \$548 million. Due to declines in admissions and AGR totals, tax revenue collected from casinos fell to \$454 million in FY 2019, to \$329 million in FY 2020 (in large part due to the virus impacts), and then even further to \$202 million in FY 2021 (due to both the virus and the reduced tax structure). It rebounded back to \$346 million in FY 2022. In FY 2023, casino tax revenues steadily increased to a total of \$388 million. In FY 2024, casino tax revenues grew to \$428 million, although this is still below levels recorded in years prior to FY 2020. However, these reduced figures have been more than offset by the additional tax revenue generated from video gaming and sports wagering.

In FY 2013, \$36 million in tax revenues were generated from video gaming. As video gaming revved up, this total steadily increased to \$478 million by FY 2019. This total declined to \$403 million due to the pandemic, but then recovered to \$895 million in FY 2022. In FY 2023, this tally grew substantially to \$959 million. When combining these video gaming tax revenues with casino and sports wagering tax revenues, overall tax revenues grew from \$548 million in FY 2012 to \$1.591 billion in FY 2024, an increase of 190.1%. Video gaming comprised 62.7% of this total figure in FY 2024.

The bottom line is that the combined tax revenue total of \$1.591 billion in FY 2024 is significantly higher than what has been collected in previous years.



The Future of Video Gaming

Ever since its inception, video gaming in Illinois has been on an upward trend. In the initial years of implementation, insiders estimated that the State would plateau at around 20,000 video gaming terminals, but the popularity of video gaming has spurred so much interest that the State has sailed past this mark (FY 2024 ended with 48,176 terminals).

The growth in video gaming figures will likely continue to grow at a moderate pace as more communities “opt-in” and allow businesses to operate video game terminals. However, it is possible that video gaming in Illinois is reaching a saturation point as most establishments have reached the maximum number of video game terminals that can be legally placed in a single location as per P.A. 101-0031. Approximately 71% of non-truck-stop locations have reached the terminal limit of 6, and approximately 90% of truck stops have placed the maximum 10 terminals. Additionally, almost 69% of the State’s population live within a municipality that allows video gaming, which limits the possibility of terminals being opened in fresh markets within Illinois. However, Chicago remains a notable exception as the city still prohibits video gaming. Legalization of video gaming within Chicago would certainly have a substantial effect on video gaming revenues, but the extent to which such revenues would detract from casinos in the area is unknown.

Recently, P.A. 103-0592 raised the Video Gaming tax rate to 35% beginning in FY 2025. This will contribute to further growth in tax revenues by allocating a greater portion of net terminal income for State use. The FY 2024 tax rate was 34%. Whether this higher tax rate will slow the video gaming industry’s upward growth trend remains to be seen.

The construction of new casinos and permanent facilities may reduce video gaming revenues by providing alternative venues for wagering. While the impact that these new casinos will have on video gaming locations is not expected to mimic the impact that new video gaming machines had on existing casinos (due to the convenience of local establishments), some cannibalization in video gaming figures is possible.

Finally, another factor that should continue to be monitored is the competition from “sweepstakes” machines. These unregulated devices look and work similarly to video gaming terminals but are not subject to State and local taxation. Although the Illinois Gaming Board has suggested that the machines are illegal, enough ambiguity in the law exists that these machines remain in operation. These machines can be played for free, which reportedly provides a legal “loophole” that these are “not gambling devices”. If the popularity of these devices grows and more businesses choose these machines over video gaming terminals, the State’s video gaming numbers could be negatively affected.

LOTTERY

LOTTERY

The Illinois State Lottery was authorized in 1974 and began operation in 1975. The State's lottery system generates revenue via ticket sales, agent fees, and interest-earning accounts. Following the payment of prizes, agent commissions, and administrative costs, net lottery receipts are transferred into the Common School Fund, the Capital Projects Fund, or special cause funds. In FY 2023, net proceeds are no longer to be allocated to the Capital Projects Fund. Instead, such monies will be transferred to the Common School Fund. Since its inception, lottery sales have totaled over \$87 billion and the Lottery has transferred over \$26 billion back to the State. Table 22 presents a brief history of the Illinois State Lottery highlighting sales by game, total sales, and the percentage change from the previous fiscal year.

Lottery Revenue Sources

Continuing the strong growth displayed in FY 2023, lottery sales increased significantly in FY 2024. Total sales grew 6.9% from \$3.610 billion in FY 2023 to \$3.858 billion in FY 2024. Lottery sales grew dramatically during the pandemic, as many other gaming options ceased operations. After these other forms of gaming resumed, lottery sales dipped slightly, but resurgence experienced in the prior two fiscal years seems to indicate lasting market expansion. In total, the \$3.858 billion sales tally is the highest sales figure in the history of the Illinois Lottery, and represents a \$248 million increase over the previous year.

Instant ticket sales had been becoming a larger and larger part of overall sales since the late 1980's compared to draw games. However, in the last year, the ratio of instant ticket sales to draw game sales has fallen slightly with instant ticket sales making up approximately 55.5% of total sales, while draw games comprise about 44.5% of total sales. Instant ticket sales grew \$100 million to \$2.143 billion in FY 2024. This represents an increase of 4.9%. Draw games increased by almost \$148 million to \$1.715 billion; amounting to a growth of 9.4%.

Chart 12, on page 55, highlights a breakdown of the games that made up the \$1.715 billion in draw game sales. As with last year, Fast Play (introduced in September 2020) remained the largest contributor to draw game revenue. Fast Play grew by a tremendous 42.4% over its FY 2023 sales to \$477.6 million in FY 2024. Both Pick 3 and Pick 4 were down slightly in FY 2024. The Pick 3 game fell almost 1% from \$275 million to \$273 million, while the Pick 4 game was down just over 2%, collecting \$276 million. The Mega Millions multi-state game fell 11.6% to \$193 million. Powerball grew 18.5% to \$260 million. Additionally, the Lotto experienced a slight downturn of 1.2%. Sales from the Lucky Day Lotto game were basically flat. As mentioned previously, overall draw games grew substantially by \$148 million to a total of \$1.715 billion.

TABLE 22: LOTTERY SALES BY GAME

FY 2004 - FY 2024

(\$ Millions)

Fiscal Year	Instant Games Sales % Change	Pick 3 Sales % Change	Pick 4 Sales % Change	Mega Millions Sales % Change	Powerball Sales % Change	Lucky Day Lotto Sales % Change	Lotto Sales % Change	Fast Play Sales % Change	Raffles Sales % Change	Other Games Sales % Change	Total Sales \$ % Change
2004	\$ 759.6 12.2%	\$308.9 -0.8%	\$166.7 1.2%	\$226.5 13.4%	\$ - -	\$ 99.6 27.6%	\$117.2 -3.0%	\$ - -	\$ - -	\$ 9.0 -30.2%	\$ 1,687.6 7.8%
2005	\$ 879.5 15.8%	\$307.2 -0.5%	\$168.4 1.0%	\$192.6 -15.0%	\$ - -	\$131.8 32.3%	\$131.5 12.2%	\$ - -	\$ - -	\$ 4.0 -55.5%	\$ 1,815.0 7.6%
2006	\$ 976.7 11.1%	\$309.2 0.6%	\$170.1 1.0%	\$243.8 26.6%	\$ - -	\$126.6 -4.0%	\$125.3 -4.7%	\$ - -	\$ - -	\$13.4 234.7%	\$ 1,965.2 8.3%
2007	\$ 1,041.6 6.6%	\$308.7 -0.2%	\$170.2 0.1%	\$195.9 -19.7%	\$ - -	\$127.9 1.0%	\$111.9 -10.7%	\$ - -	\$14.1 -	\$30.8 129.8%	\$ 2,001.0 1.8%
2008	\$ 1,094.0 5.0%	\$299.0 -3.1%	\$167.8 -1.4%	\$221.1 12.9%	\$ - -	\$128.4 0.5%	\$112.9 0.9%	\$ - -	\$15.9 13.4%	\$18.4 -40.2%	\$ 2,057.7 2.8%
2009	\$ 1,121.1 2.5%	\$297.7 -0.4%	\$176.9 5.4%	\$204.6 -7.5%	\$ - -	\$129.0 0.4%	\$122.7 8.6%	\$ - -	\$18.9 18.8%	\$ 7.7 -58.3%	\$ 2,078.5 1.0%
2010	\$ 1,173.9 4.7%	\$301.4 1.3%	\$191.0 8.0%	\$222.6 8.8%	\$ 51.7 -	\$119.6 -7.3%	\$111.1 -9.4%	\$ - -	\$20.0 5.6%	\$ 1.5 -79.8%	\$ 2,192.9 5.5%
2011	\$ 1,264.7 7.7%	\$290.6 -3.6%	\$191.0 0.0%	\$172.0 -22.7%	\$ 97.2 87.8%	\$119.9 0.2%	\$107.7 -3.1%	\$ - -	\$22.7 13.4%	\$ - -100.0%	\$ 2,265.7 3.3%

NORTHSTAR LOTTERY GROUP TAKES OVER MANAGEMENT OF LOTTERY OPERATIONS

2012	\$ 1,622.5 28.3%	\$278.6 -4.2%	\$194.1 1.7%	\$189.0 9.9%	\$147.0 51.3%	\$131.1 9.4%	\$105.4 -2.1%	\$ - -	\$10.0 -55.9%	\$ - -	\$ 2,677.8 18.2%
2013	\$ 1,768.3 9.0%	\$261.5 -6.1%	\$198.7 2.4%	\$108.3 -42.7%	\$236.2 60.7%	\$134.7 2.7%	\$ 96.6 -8.4%	\$ - -	\$23.0 130.2%	\$ 8.1 -	\$ 2,835.5 5.9%
2014	\$ 1,757.4 -0.6%	\$250.6 -4.1%	\$202.3 1.8%	\$144.6 33.5%	\$162.6 -31.2%	\$134.7 0.0%	\$114.0 18.1%	\$ - -	\$20.1 -12.9%	\$18.6 128.4%	\$ 2,804.8 -1.1%
2015	\$ 1,821.6 3.7%	\$263.1 5.0%	\$223.9 10.7%	\$120.3 -16.8%	\$133.5 -17.9%	\$151.0 12.2%	\$107.7 -5.6%	\$ - -	\$13.2 -34.1%	\$ 5.5 -70.6%	\$ 2,839.8 1.2%
2016	\$ 1,811.8 -0.5%	\$269.3 2.4%	\$219.2 -2.1%	\$ 98.1 -18.4%	\$207.9 55.7%	\$136.5 -9.6%	\$109.1 1.3%	\$ - -	\$ 5.4 -59.5%	\$ - -100.0%	\$ 2,857.3 0.6%
2017	\$ 1,871.9 3.3%	\$262.3 -2.6%	\$229.1 4.5%	\$ 98.2 0.1%	\$151.6 -27.1%	\$137.3 0.5%	\$ 87.5 -19.8%	\$ - -	\$ 7.8 45.5%	\$ - -	\$ 2,845.6 -0.4%

CAMELOT ILLINOIS TAKES OVER MANAGEMENT OF LOTTERY OPERATIONS

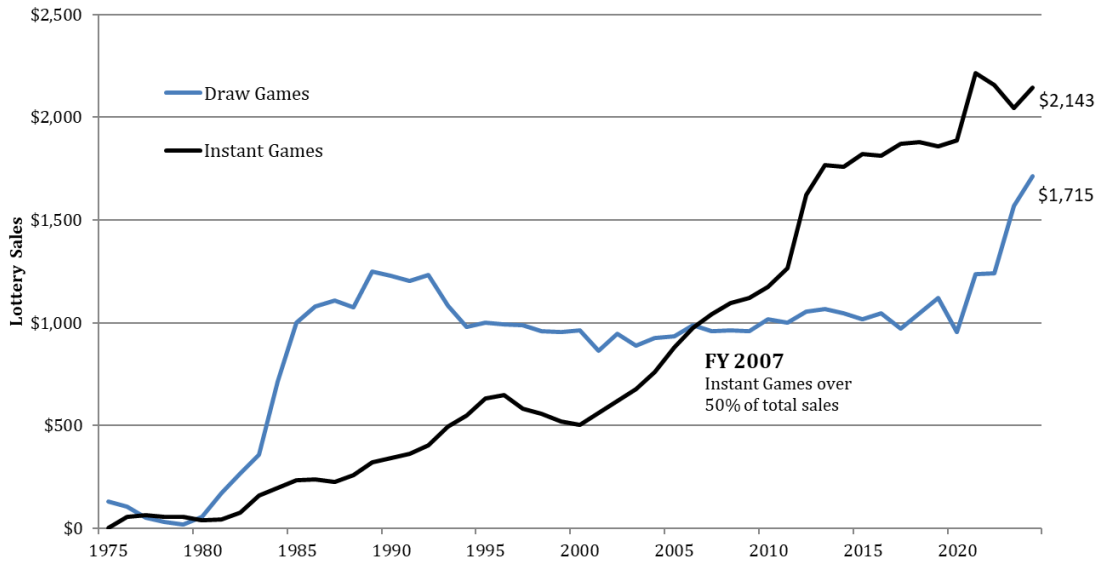
2018	\$ 1,880.5 0.5%	\$278.0 6.0%	\$248.8 8.6%	\$124.8 27.0%	\$161.2 6.4%	\$134.5 -2.0%	\$ 94.0 7.5%	\$ - -	\$ 6.5 -16.8%	\$ - -	\$ 2,928.3 2.9%
2019	\$ 1,856.8 -1.3%	\$274.7 -1.2%	\$251.0 0.9%	\$213.4 71.0%	\$158.5 -1.7%	\$120.8 -10.2%	\$102.3 8.8%	\$ - -	\$ - -100.0%	\$ - -	\$ 2,977.4 1.7%
2020	\$ 1,887.8 1.7%	\$278.0 1.2%	\$261.6 4.2%	\$110.4 -48.2%	\$ 94.6 -40.3%	\$120.2 -0.5%	\$ 91.7 -10.4%	\$ - -	\$ - -	\$ - -	\$ 2,844.3 -4.5%
2021	\$ 2,214.4 17.3%	\$352.3 26.8%	\$342.7 31.0%	\$157.8 42.9%	\$127.2 34.6%	\$120.9 0.6%	\$ 99.0 8.0%	\$ 35.6 -	\$ - -	\$ - -	\$ 3,450.0 21.3%
2022	\$ 2,155.4 -2.7%	\$305.2 -13.4%	\$311.1 -9.2%	\$106.8 -32.3%	\$165.0 29.7%	\$122.5 1.3%	\$ 98.8 -0.2%	\$129.9 265.4%	\$ - -	\$ - -	\$ 3,394.8 -1.6%
2023	\$ 2,042.9 -5.2%	\$275.1 -9.9%	\$281.8 -9.4%	\$218.3 104.5%	\$219.5 33.0%	\$126.0 2.9%	\$111.0 12.3%	\$335.4 158.1%	\$ - -	\$ - -	\$ 3,610.1 6.3%
2024*	\$ 2,142.9 4.9%	\$272.8 -0.8%	\$275.8 -2.1%	\$193.0 -11.6%	\$260.1 18.5%	\$125.8 -0.2%	\$109.7 -1.2%	\$477.6 42.4%	\$ - -	\$ - -	\$ 3,857.7 6.9%

Sales are net of promotions and allowances.

*Preliminary, unaudited data

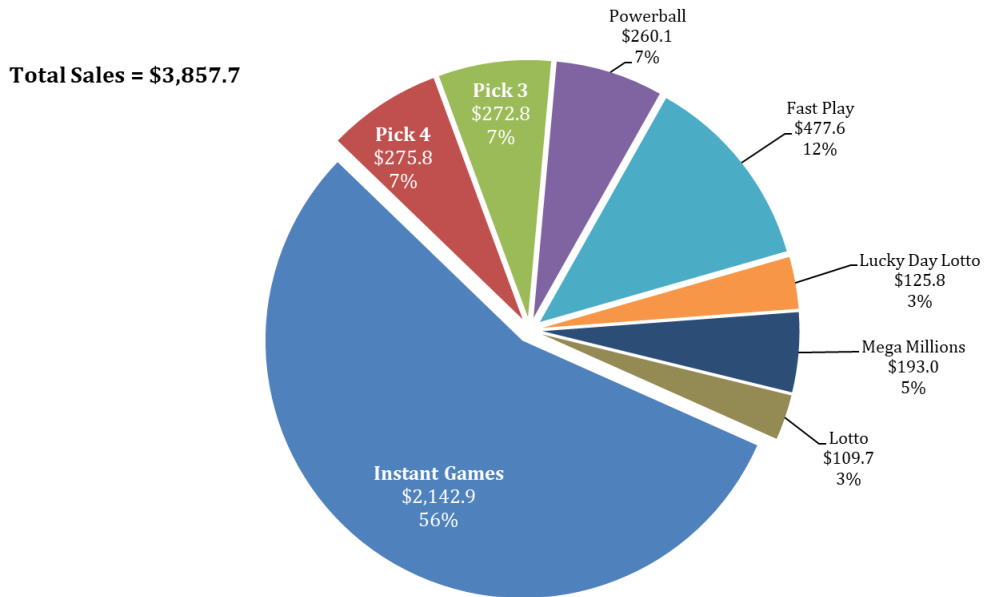
Source: Illinois Lottery

CHART 11: MAKEUP OF LOTTERY SALES
(\$ Millions)



Source: Illinois Lottery

CHART 12: FY 2024 LOTTERY SALES BY GAME
(\$ Millions)



Preliminary, unaudited figures
Source: Illinois Lottery

Lottery Operating Expenses

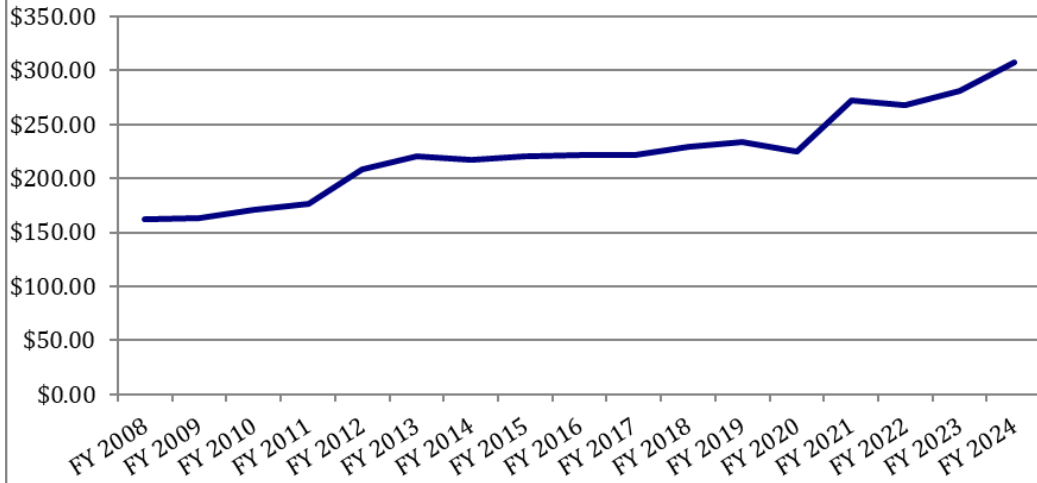
The lottery has three main operating expenses; 1) prizes awarded to winners, 2) commissions and bonuses paid to retailers, and 3) general and administrative expenses. In FY 2024, based on preliminary, unaudited data from the Lottery, these operating expenses totaled \$2.977 billion. The largest expense was prizes awarded to winners which was up \$215 million to \$2.580 billion. Commissions and bonuses were up \$5 million to \$179 million, while general and administrative costs were up by \$25 million to \$219 million. Expenses have risen with increases in the amount of sales.

Table 23 below shows the main operating expenses back to FY 2004.

TABLE 23: LOTTERY OPERATING EXPENSES												
FY 2004 - FY 2024												
(\$ Millions)												
Fiscal Year	Prizes Awarded to Winners			Commissions and Bonuses			General and Administrative Expenses			Total		
	\$	\$ Change	% Change	\$	\$ Change	% Change	\$	\$ Change	% Change	\$	\$ Change	% Change
2004	\$ 968.8	\$ 85.4	9.7%	\$ 85.4	\$ 6.3	7.9%	\$ 85.6	\$ (3.7)	-4.1%	\$1,139.8	\$ 87.9	8.4%
2005	\$1,042.9	\$ 74.0	7.6%	\$ 91.9	\$ 6.5	7.6%	\$ 99.5	\$ 13.9	16.3%	\$1,234.2	\$ 94.5	8.3%
2006	\$1,158.2	\$ 115.3	11.1%	\$ 99.3	\$ 7.4	8.0%	\$ 101.7	\$ 2.2	2.2%	\$1,359.2	\$ 124.9	10.1%
2007	\$1,177.2	\$ 18.9	1.6%	\$100.7	\$ 1.4	1.4%	\$ 109.9	\$ 8.3	8.1%	\$1,387.8	\$ 28.6	2.1%
2008	\$1,226.1	\$ 48.9	4.2%	\$103.9	\$ 3.3	3.2%	\$ 108.8	\$ (1.1)	-1.0%	\$1,438.8	\$ 51.0	3.7%
2009	\$1,225.9	\$ (0.2)	0.0%	\$104.6	\$ 0.7	0.6%	\$ 113.1	\$ 4.3	3.9%	\$1,443.5	\$ 4.7	0.3%
2010	\$1,313.2	\$ 87.4	7.1%	\$110.2	\$ 5.6	5.4%	\$ 120.6	\$ 7.5	6.6%	\$1,544.0	\$ 100.5	7.0%
2011	\$1,368.5	\$ 55.2	4.2%	\$111.9	\$ 1.7	1.5%	\$ 120.7	\$ 0.1	0.1%	\$1,601.1	\$ 57.1	3.7%
2012	\$1,620.4	\$ 251.9	18.4%	\$151.3	\$ 39.4	35.2%	\$ 152.2	\$ 31.5	26.1%	\$1,923.9	\$ 322.8	20.2%
2013	\$1,743.7	\$ 123.3	7.6%	\$164.0	\$ 12.7	8.4%	\$ 153.7	\$ 1.5	1.0%	\$2,061.4	\$ 137.5	7.1%
2014	\$1,749.2	\$ 5.5	0.3%	\$159.1	\$ (4.8)	-3.0%	\$ 156.5	\$ 2.8	1.8%	\$2,064.8	\$ 3.4	0.2%
2015	\$1,823.6	\$ 74.4	4.3%	\$161.6	\$ 2.5	1.6%	\$ 147.1	\$ (9.4)	-6.0%	\$2,132.3	\$ 67.5	3.3%
2016	\$1,837.4	\$ 13.8	0.8%	\$160.9	\$ (0.7)	-0.4%	\$ 139.7	\$ (7.3)	-5.0%	\$2,138.1	\$ 5.8	0.3%
2017	\$1,820.1	\$ (17.3)	-0.9%	\$160.0	\$ (0.9)	-0.6%	\$ 137.8	\$ (1.9)	-1.4%	\$2,118.0	\$ (20.1)	-0.9%
2018	\$1,910.9	\$ 90.8	5.0%	\$165.0	\$ 5.0	3.1%	\$ 163.9	\$ 26.0	18.9%	\$2,239.8	\$ 121.8	5.8%
2019	\$1,907.2	\$ (3.7)	-0.2%	\$165.3	\$ 0.3	0.2%	\$ 154.3	\$ (9.5)	-5.8%	\$2,226.8	\$ (13.0)	-0.6%
2020	\$1,842.2	\$ (65.0)	-3.4%	\$154.9	\$ (10.4)	-6.3%	\$ 153.6	\$ (0.7)	-0.5%	\$2,150.7	\$ (76.1)	-3.4%
2021	\$2,329.4	\$ 487.2	26.4%	\$186.2	\$ 31.3	20.2%	\$ 162.5	\$ 8.9	5.8%	\$2,678.1	\$ 527.4	24.5%
2022	\$2,211.4	\$ (118.0)	-5.1%	\$175.1	\$ (11.1)	-6.0%	\$ 178.9	\$ 16.4	10.1%	\$2,565.4	\$ (112.7)	-4.2%
2023	\$2,364.9	\$ 153.5	6.9%	\$173.8	\$ (1.3)	-0.8%	\$ 193.8	\$ 14.9	8.3%	\$2,732.5	\$ 167.1	6.5%
2024*	\$2,579.5	\$ 214.6	9.1%	\$179.0	\$ 5.2	3.0%	\$ 218.9	\$ 25.1	13.0%	\$2,977.4	\$ 244.9	9.0%

* Preliminary and unaudited data
Source: Illinois Lottery

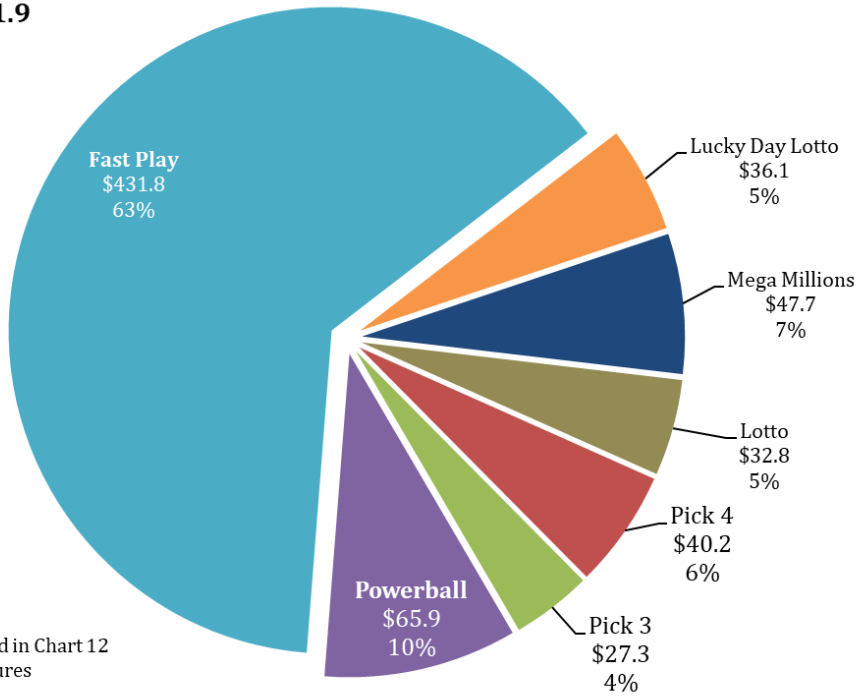
CHART 13: ILLINOIS LOTTERY SALES PER CAPITA



Source: Illinois Lottery, U.S. Census Bureau, CGFA

CHART 14: FY 2024 ONLINE LOTTERY SALES BY GAME (\$ Millions)

Total Sales = \$681.9



* These figures are included in Chart 12
 Preliminary, unaudited figures
 Source: Illinois Lottery

Lottery Transfers

When the Illinois Lottery began in FY 1975, proceeds from the Lottery originally went to the General Revenue Fund. In FY 1986, these transfers began to go to the Common School Fund to support education. A small amount of funds from new special cause games were sent to funds to support those individual causes in FY 2006. Due to Public Act 96-0034, beginning in FY 2010, transfers to the Common School Fund from the Lottery were capped at the rate of inflation as measured by the Consumer Price Index (CPI) based on the amount of money transferred to the fund in FY 2009. Any additional funds available after the transfers to the Common School Fund and the special cause funds were to be sent to the Capital Projects Fund.

Beginning in FY 2024, the Capital Projects Fund will no longer receive money from the Lottery. As part of the FY 2023 Budget Implementation Bill (P.A. 102-0699), all proceeds from the Lottery are to be directed to the Common School Fund except those from the special cause games. As part of this change, the Capital Projects Fund received transfers of approximately \$89 million in FY 2023 to correct errors in lottery distributions in previous fiscal years. Therefore, no funds were deposited into the Capital Projects Fund as a result of lottery revenues in FY 2024.

The table on the following page illustrates lottery transfers from FY 2004 through FY 2024. The transfers are presented in two formats. The first section of the table shows lottery transfers on an accrual accounting basis, while the second section presents the transfers on a cash accounting basis. The Lottery tracks its finances on an accrual basis which records revenue and expenses at the time they are made, while the Office of the Comptroller is on more of a cash basis and records the transfers when they arrive at the Comptroller's office. This leads to differences in annual totals due to timing and recognition of the transactions. When discussing lottery transfers of the State in this report and other reports, the Commission will refer to the cash basis results as recorded by the Office of the Comptroller.

The first fund that receives lottery proceeds is the Common School Fund. The Common School Fund provides the majority of funding for elementary and secondary education including payment for General State Aid, contributions to Teacher's Retirement Systems, and salaries of regional superintendents and assistants. Transfers to the Common School Fund grew dramatically in FY 2024. After a decline of 11.5% in FY 2023, Common School Fund transfers increased by 20.9% in FY 2024, which equaled a transfer of \$878 million.

TABLE 24: LOTTERY TRANSFERS

FY 2004 - FY 2024

(\$ Millions)

Fiscal Year	Accrual Accounting Basis (Illinois Lottery)						Cash Accounting Basis (Office of the Comptroller)					
	Total Sales	Common School Fund	Capital Projects Fund	Special Cause Funds	Total Transfers	Transfers as a % of Total Sales	Common School Fund	Capital Projects Fund	Special Cause Funds	Total Transfers	Transfers as a % of Total Sales	
2004	\$ 1,687.6	\$ 576.1	\$ -	\$ -	\$ 576.1	34.1%	\$ 570.1	\$ -	\$ -	\$ 570.1	33.8%	
2005	\$ 1,815.0	\$ 619.5	\$ -	\$ -	\$ 619.5	34.1%	\$ 614.0	\$ -	\$ -	\$ 614.0	33.8%	
2006	\$ 1,965.2	\$ 641.7	\$ -	\$ 4.2	\$ 645.9	32.9%	\$ 670.5	\$ -	\$ 3.7	\$ 674.2	34.3%	
2007	\$ 2,001.0	\$ 627.6	\$ -	\$ 3.6	\$ 631.2	31.5%	\$ 622.4	\$ -	\$ 4.1	\$ 626.5	31.3%	
2008	\$ 2,057.7	\$ 643.5	\$ -	\$ 5.0	\$ 648.5	31.5%	\$ 657.0	\$ -	\$ 4.6	\$ 661.6	32.2%	
2009	\$ 2,078.5	\$ 629.5	\$ -	\$ 5.2	\$ 634.7	30.5%	\$ 625.0	\$ -	\$ 5.2	\$ 630.2	30.3%	
2010	\$ 2,192.9	\$ 614.9	\$ 32.9	\$ 4.3	\$ 652.1	29.7%	\$ 625.0	\$ -	\$ 4.2	\$ 629.2	28.7%	
2011	\$ 2,265.7	\$ 610.1	\$ 54.1	\$ 4.2	\$ 668.4	29.5%	\$ 631.9	\$ 87.0	\$ 4.1	\$ 723.0	31.9%	
2012	\$ 2,677.8	\$ 639.9	\$ 115.0	\$ 3.2	\$ 758.1	28.3%	\$ 639.9	\$ 65.2	\$ 3.2	\$ 708.3	26.5%	
2013	\$ 2,835.5	\$ 655.6	\$ 161.2	\$ 2.6	\$ 819.4	28.9%	\$ 655.9	\$ 135.0	\$ 2.9	\$ 793.8	28.0%	
2014	\$ 2,804.8	\$ 668.1	\$ 107.0	\$ 2.3	\$ 777.4	27.7%	\$ 668.1	\$ 145.0	\$ 2.3	\$ 815.4	29.1%	
2015	\$ 2,839.8	\$ 678.6	\$ 61.6	\$ 3.8	\$ 743.9	26.2%	\$ 678.6	\$ 8.0	\$ 3.6	\$ 690.1	24.3%	
2016	\$ 2,857.3	\$ 691.6	\$ 29.2	\$ 3.4	\$ 724.2	25.3%	\$ 677.0	\$ -	\$ 3.3	\$ 680.3	23.8%	
2017	\$ 2,845.6	\$ 705.6	\$ 24.3	\$ 2.6	\$ 732.6	25.7%	\$ 720.3	\$ 15.0	\$ 2.9	\$ 738.2	25.9%	
2018	\$ 2,928.3	\$ 718.8	\$ -	\$ 3.6	\$ 722.4	24.7%	\$ 718.8	\$ 9.3	\$ 3.6	\$ 731.7	25.0%	
2019	\$ 2,977.4	\$ 731.3	\$ 18.5	\$ 4.3	\$ 754.0	25.3%	\$ 731.3	\$ -	\$ 3.4	\$ 734.6	24.7%	
2020	\$ 2,844.3	\$ 689.5	\$ -	\$ 6.5	\$ 696.0	24.5%	\$ 630.4	\$ 18.5	\$ 7.2	\$ 656.1	23.1%	
2021	\$ 3,450.0	\$ 762.5	\$ 3.7	\$ 10.1	\$ 776.3	22.5%	\$ 776.5	\$ -	\$ 9.4	\$ 785.9	22.8%	
2022	\$ 3,394.8	\$ 775.0	\$ 48.7	\$ 9.8	\$ 784.8	23.1%	\$ 820.1	\$ 3.7	\$ 9.4	\$ 833.3	24.5%	
2023	\$ 3,610.1	\$ 738.5	\$ 89.0	\$ 9.1	\$ 747.6	20.7%	\$ 726.0	\$ 137.8	\$ 8.5	\$ 872.3	24.2%	
2024*	\$ 3,857.7	\$ 873.6	\$ -	\$ 10.1	\$ 883.7	22.9%	\$ 877.5	\$ -	\$ 8.5	\$ 886.0	23.0%	

* Preliminary, unaudited data

Source: Illinois Lottery, Office of the Comptroller

The second destination for Lottery profits are a set of ten special cause funds. Special cause games began in FY 2006 with the introduction of the “Ticket for the Cure” scratch off game which supported breast cancer research and the “Veteran’s Cash” game that supported veteran’s organizations. In FY 2008, Red Ribbon Cash was launched to improve the lives of those living with HIV-AIDS. An instant game supporting Multiple Sclerosis research began in FY 2009. These were the only special cause games until FY 2015 when the Money Bags instant ticket game was introduced to support the Special Olympics in Illinois. In FY 2020, a game was introduced to help build police memorials and another game was initiated to fight homelessness in Illinois. FY 2021 saw the unveiling of two new instant ticket games to fund STEAM (Science, Technology, Engineering, Art, and Math) programs and fight Alzheimer’s disease. In FY 2023, the special cause game supporting STEAM programs was not listed as an active fund. In FY 2024, two new special cause funds were introduced to provide scholarships for certain populations—the United Negro College Fund (UNCF) and the Illinois DREAM Fund. Overall, specialty game ticket sales are stagnant, remaining at \$8.5 million in both FY 2023 and FY 2024, a slight decline of 0.5%.

As part of P.A. 94-0120, the “Ticket for the Cure” special instant scratch-off game was created. The proceeds from this game are sent to the Ticket for the Cure Fund which is for cancer research grants. Sales for this game fell to \$709,000 in FY 2024 following the FY 2023 total of \$752,000.

A special instant scratch-off was created by P.A. 94-0585 to fund grants for veterans’ related issues. Sales of this game have ranged between \$1.1 million and \$1.4 million per year in recent fiscal years. In FY 2024, total revenue from this game amounted to \$1.3 million. This game remains one of the better sellers of the specialty games.

Revenues from the “Twisted Treasure” instant ticket game are used to support HIV/AIDS prevention and education. This game was created as part of P.A. 95-0674. Sales for this game had been mostly between \$450,000 and \$700,000 over the last decade, but increased considerably in recent years. In FY 2024, sales grew slightly to \$1.1 million from \$993,000 in FY 2023.

A special cause game benefiting multiple sclerosis began sales in September of 2008. As part of P.A. 95-0673, the Multiple Sclerosis Research Fund was created that would benefit research pertaining to multiple sclerosis. Profits from the “Lucky Me” game amounted to just over \$1.0 million in FY 2023. In FY 2024, sales fell dramatically to only \$324,000.

P.A. 98-0649 created a special instant scratch-off game to benefit the Special Olympics in Illinois. The act created the Special Olympics Illinois and Special Children’s Charities Fund. Funds are to be used to support training, competitions, and programs for future Special Olympics athletes. The proceeds from this game are to be split 75% statewide, while 25% are to be used to support athletes within the City of Chicago. The current version of this instant ticket is named “Bingo Tripler.” The game’s sales have steadily declined after reaching a \$2.1 million peak in FY 2020. In FY 2024, a tally of only \$344,000 was recorded.

The Blue Police Memorial Ticket game, introduced in May of 2019, is used to raise funds to support police memorial projects. As part of P. A. 100-0647, revenues from the ticket will be equally divided among the Chicago Police Memorial Foundation Fund, the Police Memorial Committee Fund, and the Illinois State Police Memorial Park Fund. Profits from the Blue Police Memorial Ticket will be used to fund grants for building and maintaining memorials and parks; holding annual memorial commemorations; giving scholarships and financial assistance to children of officers killed or catastrophically injured in the line of duty, or those interested in pursuing a career in law enforcement; and providing financial assistance to officers for the purchase or replacement of bullet proof vests. The State Police Memorial Ticket game recorded \$884,000 in FY 2024.

The “Easy as 1-2-3” game which became available in September of 2019. This game was created under P.A. 100-1068. Profits of the game will be deposited in the Homelessness Prevention Revenue Fund. These funds will be used by the Illinois Department of Human Services to support homelessness prevention and assistance program grants. In FY 2024, just over \$1.1 million was allocated for the prevention of homelessness.

A specialty game created under P.A. 101-0561 was the “The End of Alzheimer’s Begins with Me” scratch-off game. The net revenue from this game is deposited into the Alzheimer’s Awareness Fund. This money will promote Alzheimer’s care, support, education, and awareness programs in Illinois. This game is scheduled to be available through January 1, 2025. In FY 2024, almost \$1.3 million was collected.

P.A. 103-0006 introduced two new special causes to provide scholarships for African American students and undocumented immigrant students. These funds are listed as the United Negro College Fund (UNCF) and the Illinois DREAM Fund respectively. In FY 2024, revenue was evenly split amongst these two special causes. As a result, both funds recorded almost \$670,000 during the fiscal year.

Previously, the Capital Projects Fund which was created under P.A. 96-0034 would receive a portion of Lottery revenues. Subject to appropriation, the Capital Projects Fund may be used only for capital projects and the payment of debt service on bonds issued for capital projects. As mentioned previously, due to P.A. 102-0699, the Capital Projects Fund ceased to receive funds from Illinois Lottery sales beginning in FY 2023. However, as noted on page 58, there was an \$89 million “true-up” deposit into the Capital Projects Fund in FY 2023 to correct previous misallocation.

Multi-State Games

While most of the games issued by the Lottery are just for players purchasing a ticket in Illinois, the Mega Millions and Powerball games are multi-state games that offer jackpots starting at \$20 million. In May of 2002, Illinois, along with the other Big Game states (Georgia, Maryland, Massachusetts, Michigan, New Jersey, and Virginia), joined the States of New York and Ohio to create the Mega Millions game. Washington (September 2002), Texas (December 2003), California (June 2005), and Louisiana (November 2011) joined Mega Millions in the following years.

In October of 2009, an agreement was reached between states offering Mega Millions and states offering Powerball to allow for sales of both games within a state. The hope was, with more states joining the program, more and more people will be playing, allowing jackpots to roll to even higher levels at a faster rate. Illinois began offering Powerball on January 31, 2010. As of September 2024, forty-five states plus the District of Columbia and the U.S. Virgin Islands offer Mega Millions tickets. Powerball tickets are sold in the same locales plus Puerto Rico.

Mega Millions has drawings on Tuesdays and Fridays. Prior to August of 2021, Powerball conducted their drawings on Wednesdays and Saturdays. Starting that month, an additional Monday drawing was added each week. Mega Millions and Powerball each cost \$2 per ticket. Mega Millions had been \$1 per ticket but beginning in October 2017, the price rose to \$2 to match the Powerball. In addition to the change in price, the beginning jackpot for Mega Millions rose to \$40 million from \$15 million and the odds of winning the jackpot increased. However, due to a waning interest in both of the multi-state games during the COVID-19 pandemic, the beginning jackpot for both games was reduced in the spring of 2020 to ensure the long-term viability of the game. The beginning jackpots have been at \$20 million since then but the Mega Millions has indicated that future beginning jackpots will be determined by game sales and interest rates.

Collectively, the multi-state games grew by 3.5% in FY 2024. Combined, total sales grew to \$453 million in FY 2024, an increase of approximately \$15 million from the FY 2023 total of \$438 million. The Mega Millions game decreased by 11.6% to \$190 million. This represented a decline of just over \$25 million. However, the reduced Mega Millions results were offset by increased Powerball sales, which increased 18.5% from \$220 million to \$260 million.

Table 25 on the following page shows the sales and jackpot data for the multi-state games. Powerball saw a large increase in the number of drawings with the jackpot at high levels. In FY 2024, Powerball had 121 drawings with the jackpot over \$100 million, 90 over \$200 million, and 71 over \$300 million. Mega Millions, on the other hand, had jackpots at similar levels as FY 2023.

TABLE 25: MULTI STATE GAME RESULTS

(\$ Million)

MEGA MILLIONS

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Average Jackpot Drawing	\$68.7	\$42.9	\$98.0	\$93.8	\$101.7	\$77.7	\$146.6	\$220.4	\$136.9	\$166.9	\$147.4	\$277.3	\$321.9
Drawings over \$100 M	19	9	35	40	42	28	55	70	60	50	57	75	77
Drawings over \$200 M	6	0	13	12	12	3	30	46	23	31	30	58	59
Drawings over \$300 M	2	0	6	1	4	3	13	26	8	18	15	41	44
IL Mega Millions Sales	\$189.0	\$108.3	\$144.6	\$120.3	\$98.1	\$98.2	\$124.8	\$213.4	\$110.4	\$157.8	\$106.8	\$218.3	\$193.0
% Change	#DIV/0!	-42.7%	33.5%	-16.8%	-18.4%	0.1%	27.0%	71.0%	-48.2%	42.9%	-32.3%	104.5%	-11.6%

POWERBALL

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021*	FY 2022	FY 2023	FY 2024
Average Jackpot Drawing	\$85.2	\$120.0	\$117.3	\$105.2	\$159.6	\$165.7	\$175.7	\$199.6	\$108.6	\$144.8	\$219.1	\$240.3	\$363.7
Drawings over \$100 M	33	48	44	41	62	65	71	77	48	55	113	105	121
Drawings over \$200 M	8	16	15	9	25	34	34	42	10	26	69	63	90
Drawings over \$300 M	1	6	6	3	9	16	16	18	4	10	41	41	71
IL Powerball Sales	\$147.0	\$236.2	\$162.6	\$133.5	\$207.9	\$151.6	\$161.2	\$158.5	\$94.6	\$127.2	\$165.0	\$219.5	\$260.1
% Change	#DIV/0!	61.5%	-31.2%	-17.9%	55.7%	-27.1%	6.4%	-1.7%	-40.3%	34.6%	29.7%	33.0%	18.5%

MEGA MILLIONS AND POWERBALL

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Average Jackpot Drawing	\$77.0	\$81.5	\$107.6	\$99.4	\$130.8	\$121.5	\$161.2	\$210.0	\$122.7	\$155.9	\$183.3	\$258.8	\$342.8
Drawings over \$100 M	52	57	79	81	104	93	126	147	108	105	170	180	198
Drawings over \$200 M	14	16	28	21	37	37	64	88	33	57	99	121	149
Drawings over \$300 M	3	6	12	4	13	19	29	44	12	28	56	82	115
Total IL Game Sales	\$335.3	\$344.6	\$307.2	\$253.7	\$306.0	\$249.8	\$286.0	\$371.8	\$205.0	\$285.0	\$271.8	\$437.8	\$453.1
% Change	#DIV/0!	2.8%	-10.9%	-17.4%	20.6%	-18.4%	14.5%	30.0%	-44.9%	39.0%	-4.6%	61.1%	3.5%

*In August of 2021, the Powerball game went from two drawings per week to three drawings per week.

Source: www.lottoreport.com, Illinois Lottery

U.S. Lottery Results

Based on data from the North American Association of State and Provincial Lotteries, in FY 2023, Illinois had the 12th largest lottery in the U.S. based on total traditional lottery sales. This was the same spot as FY 2022. Traditional lottery sales include instant and draw games but exclude electric gaming machines and table games. While Illinois has electric gaming machines and table games, they are under the purview of the Illinois Gaming Board, and as such, will not be included in this analysis of the Lottery. Florida (\$9.8 billion) remained the largest lottery, with California (\$9.2 billion), and Texas (\$8.7 billion) following in 2nd and 3rd place.

On a sales per capita basis, Illinois ranked 20th with sales per capita of \$288 in FY 2023. This was 8.6% higher than the previous fiscal year. The 20th ranking is two spots higher out of the forty-seven lotteries studied compared to FY 2022. Massachusetts had the highest levels of lottery sales at \$875 per person. This was followed by Georgia at \$515 and Michigan at \$490. States with higher lottery sales per capita tend to allow Keno games, which Illinois does not offer. Based on preliminary data, Illinois' sales per capita grew to \$307 in FY 2024. This indicates moderate growth compared to FY 2023. Chart 13 also indicates a linear growth pattern over the past fifteen years.

Similarly, analyzing last year's lottery sales on a percentage of per capita personal income basis placed Illinois near the middle of U.S. lotteries. Illinois residents spent approximately 0.41% of their personal income on lottery tickets. This was up from 0.39% in FY 2022. Overall, Illinois ranked 20th in this category. The highest levels of spending on lottery sales based on personal income are seen in Massachusetts (1.00%), Georgia (0.88%), and Michigan (0.82%).

**TABLE 26: LOTTERY RANKINGS
(FY 2023)**

STATE	POPULATION (MILLIONS)	PER CAPITA PERSONAL INCOME	TRADITIONAL LOTTERY SALES		SALES		SALES PER CAPITA AS A % OF PER-CAPITA PERSONAL INCOME	
			(\$ MILLIONS)	Rank	PER CAPITA	Rank	PERSONAL INCOME	Rank
ALABAMA	5.1	\$ 53,175	\$ -	47	\$ -	47	0.00%	47
ALASKA	0.7	\$ 71,616	\$ -	47	\$ -	47	0.00%	47
ARIZONA	7.4	\$ 61,652	\$ 1,517	19	\$ 204	28	0.33%	27
ARKANSAS	3.1	\$ 54,347	\$ 608	27	\$ 198	29	0.36%	25
CALIFORNIA	39.0	\$ 80,423	\$ 9,239	2	\$ 237	26	0.29%	29
COLORADO	5.9	\$ 78,918	\$ 890	24	\$ 151	32	0.19%	35
CONNECTICUT	3.6	\$ 87,447	\$ 1,451	21	\$ 401	8	0.46%	17
DELAWARE	1.0	\$ 65,392	\$ 252	38	\$ 244	25	0.37%	23
DISTRICT OF COLUMBIA	0.7	\$ 100,909	\$ 197	40	\$ 290	18	0.29%	30
FLORIDA	22.6	\$ 68,248	\$ 9,802	1	\$ 434	6	0.64%	6
GEORGIA	11.0	\$ 58,581	\$ 5,680	6	\$ 515	2	0.88%	2
HAWAII	1.4	\$ 65,151	\$ -	47	\$ -	47	0.00%	47
IDAHO	2.0	\$ 59,035	\$ 422	32	\$ 215	27	0.36%	26
ILLINOIS	12.5	\$ 70,953	\$ 3,610	12	\$ 288	20	0.41%	22
INDIANA	6.9	\$ 60,038	\$ 1,746	18	\$ 254	23	0.42%	20
IOWA	3.2	\$ 62,351	\$ 482	29	\$ 150	33	0.24%	34
KANSAS	2.9	\$ 63,732	\$ 338	35	\$ 115	38	0.18%	37
KENTUCKY	4.5	\$ 54,326	\$ 1,500	20	\$ 331	14	0.61%	8
LOUISIANA	4.6	\$ 57,100	\$ 652	26	\$ 143	35	0.25%	33
MAINE	1.4	\$ 63,117	\$ 410	33	\$ 294	17	0.47%	16
MARYLAND	6.2	\$ 73,849	\$ 2,764	14	\$ 447	4	0.61%	9
MASSACHUSETTS	7.0	\$ 87,812	\$ 6,124	5	\$ 875	1	1.00%	1
MICHIGAN	10.0	\$ 59,714	\$ 4,923	8	\$ 490	3	0.82%	3
MINNESOTA	5.7	\$ 71,866	\$ 787	25	\$ 137	36	0.19%	36
MISSISSIPPI	2.9	\$ 48,110	\$ 468	30	\$ 159	31	0.33%	28
MISSOURI	6.2	\$ 61,302	\$ 1,792	17	\$ 289	19	0.47%	15
MONTANA	1.1	\$ 63,918	\$ 88	43	\$ 78	44	0.12%	44
NEBRASKA	2.0	\$ 67,800	\$ 220	39	\$ 111	39	0.16%	38
NEVADA	3.2	\$ 65,168	\$ -	47	\$ -	47	0.00%	47
NEW HAMPSHIRE	1.4	\$ 77,260	\$ 548	28	\$ 391	12	0.51%	12
NEW JERSEY	9.3	\$ 80,724	\$ 3,727	11	\$ 401	9	0.50%	13
NEW MEXICO	2.1	\$ 54,428	\$ 168	41	\$ 80	43	0.15%	42
NEW YORK	19.6	\$ 79,581	\$ 8,292	4	\$ 424	7	0.53%	11
NORTH CAROLINA	10.8	\$ 60,484	\$ 4,343	10	\$ 401	10	0.66%	5
NORTH DAKOTA	0.8	\$ 73,341	\$ 39	46	\$ 50	46	0.07%	46
OHIO	11.8	\$ 60,402	\$ 4,464	9	\$ 379	13	0.63%	7
OKLAHOMA	4.1	\$ 58,499	\$ 380	34	\$ 94	41	0.16%	40
OREGON	4.2	\$ 65,426	\$ 441	31	\$ 104	40	0.16%	41
PENNSYLVANIA	13.0	\$ 67,839	\$ 5,117	7	\$ 395	11	0.58%	10
RHODE ISLAND	1.1	\$ 66,480	\$ 308	36	\$ 281	22	0.42%	21
SOUTH CAROLINA	5.4	\$ 56,123	\$ 2,403	15	\$ 447	5	0.80%	4
SOUTH DAKOTA	0.9	\$ 70,353	\$ 85	44	\$ 93	42	0.13%	43
TENNESSEE	7.1	\$ 61,049	\$ 2,102	16	\$ 295	16	0.48%	14
TEXAS	30.5	\$ 65,422	\$ 8,726	3	\$ 286	21	0.44%	19
UTAH	3.4	\$ 62,823	\$ -	47	\$ -	47	0.00%	47
VERMONT	0.6	\$ 66,463	\$ 159	42	\$ 246	24	0.37%	24
VIRGINIA	8.7	\$ 72,855	\$ 2,778	13	\$ 319	15	0.44%	18
WASHINGTON	7.8	\$ 79,659	\$ 1,003	22	\$ 128	37	0.16%	39
WEST VIRGINIA	1.8	\$ 52,585	\$ 265	37	\$ 150	34	0.28%	31
WISCONSIN	5.9	\$ 63,963	\$ 982	23	\$ 166	30	0.26%	32
WYOMING	0.6	\$ 77,837	\$ 44	45	\$ 76	45	0.10%	45
TOTALS	334.9	\$ 66,856	\$ 102,337		\$ 306		0.46%	

All figures are for traditional lottery games and do not include video gaming or table games.

All data should be considered preliminary and unaudited.

Sources: U.S. Census Bureau, North American Association of State and Provincial Lotteries, Bureau of Economic Analysis, CGFA

HORSE RACING

HORSE RACING

Horse racing is the oldest form of legalized gaming in Illinois. Each year, millions of dollars are wagered on horse racing at the State's on-track and off-track wagering facilities. In calendar year 2023, Illinois horse racing wagering generated \$10.7 million in total revenues with the State receiving \$7.8 million and local governments receiving \$2.8 million. Table 27 examines the sources and allocation of CY 2023 horse racing revenues while Table 28 details State and local racing revenues over the past ten years.

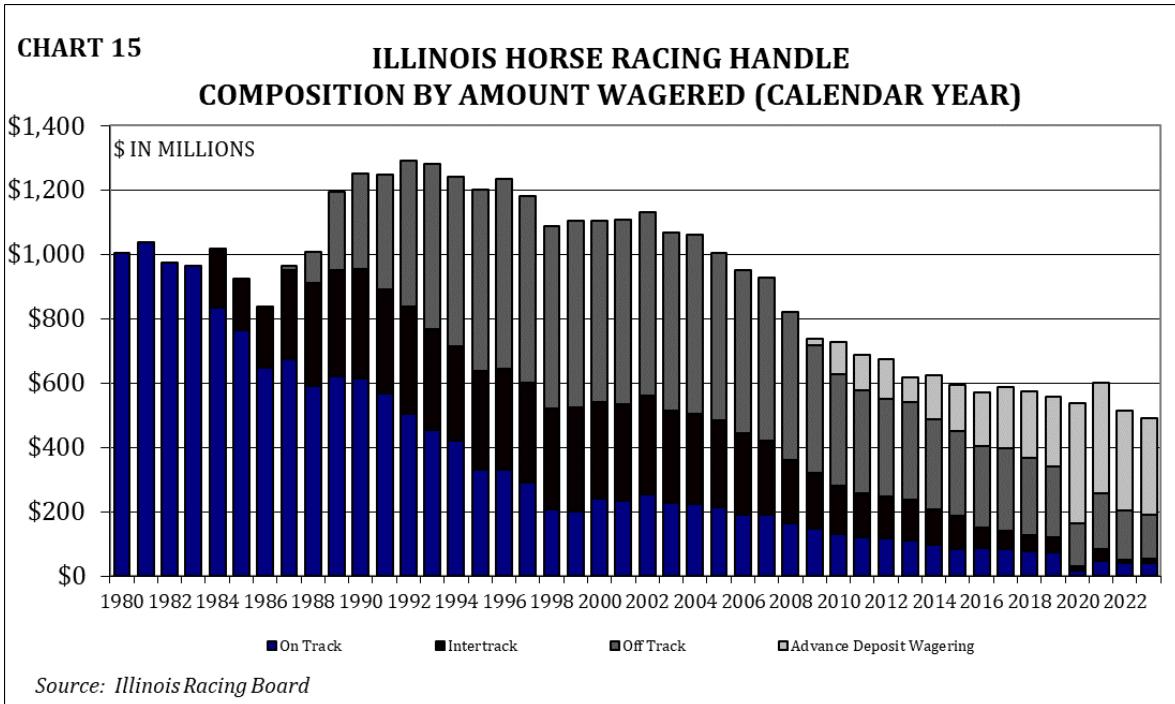
TABLE 27: SOURCES AND ALLOCATION OF HORSE RACING REVENUE FOR CALENDAR YEAR 2023	
SOURCE OF REVENUE:	
Application and License Fees of Racing Associations	\$56,535
Admission Taxes	\$46,040
Pari-mutuel Tax (Tracks and OTBs)	\$2,674,902
Pari-mutuel Tax Credit Used	(\$1,008,480)
Advanced Deposit Wagering (ADW) Pari-Mutuel Tax (1.75% of Handle)	\$5,226,468
.2% Surcharge for Racing Board (includes \$100,000 to Quarter Horse Purse Fund)	\$744,566
Licensing of Racing Personnel	\$85,750
Fingerprint Fees	\$13,334
Photo Fees	\$170
Horsemen's Fines	\$24,113
Miscellaneous Sources	-
TOTAL STATE REVENUES RECEIVED	\$7,863,399
2% of OTB Handle to City and County	\$2,785,378
OTB Admission Tax to City of Chicago	\$4,690
OTB Admission Tax to Cook County	\$22,635
On Track City Admission Tax	\$30,694
Intertrack Surcharge to County (20%)	\$23,812
TOTAL LOCAL REVENUES RECEIVED	\$2,867,209
TOTAL REVENUES RECEIVED	\$10,730,608
ALLOCATION OF REVENUE:	
Horse Racing Fund	\$6,990,766
Quarterhorse Breeders' Fund	\$12,660
Quarterhorse Purse Fund (from IRB .2% Surcharge)	\$100,000
Standardbred Purse Fund (.25% Tax of ADW Handle)	\$746,638
Fingerprinting (State Police and Vendor)	\$13,334
TOTAL STATE REVENUES ALLOCATED	\$7,863,398
To Cities	\$1,428,073
To Counties	\$1,439,136
TOTAL LOCAL	\$2,867,209
TOTAL REVENUES ALLOCATED	\$10,730,608
<i>Source: Illinois Racing Board - 2023 Annual Report</i>	

TABLE 28: HORSE RACING REVENUES AND ASSOCIATED ALLOCATIONS BY CALENDAR YEAR (IN MILLIONS)										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL STATE REVENUE	\$7.5	\$6.8	\$6.8	\$7.1	\$7.0	\$7.0	\$8.5	\$8.8	\$8.4	\$7.9
TOTAL LOCAL REVENUE	\$6.2	\$5.8	\$5.5	\$5.5	\$5.1	\$4.7	\$2.8	\$3.7	\$3.1	\$2.9
*TOTAL REVENUES RECEIVED	\$13.7	\$12.7	\$12.3	\$12.6	\$12.2	\$11.7	\$11.3	\$12.5	\$11.5	\$10.7
TOTAL STATE ALLOCATIONS	\$7.5	\$6.8	\$6.8	\$7.1	\$7.0	\$7.0	\$8.5	\$8.8	\$8.4	\$7.9
TOTAL LOCAL ALLOCATIONS	\$6.2	\$5.8	\$5.5	\$5.5	\$5.1	\$4.7	\$2.8	\$3.7	\$3.1	\$2.9
TO CITIES	\$2.9	\$2.8	\$2.7	\$2.7	\$2.5	\$2.3	\$1.4	\$1.8	\$1.6	\$1.4
TO COUNTIES	\$3.3	\$3.1	\$2.8	\$2.8	\$2.6	\$2.4	\$1.4	\$1.9	\$1.6	\$1.4
*TOTAL REVENUES ALLOCATED	\$13.7	\$12.7	\$12.3	\$12.6	\$12.2	\$11.7	\$11.3	\$12.5	\$11.5	\$10.7

* On January 29, 2014, advance deposit wagering was re-authorized for three years and included an additional 0.2% surcharge on winning wagers to help fund the Racing Board.

Source: Illinois Racing Board Annual Reports

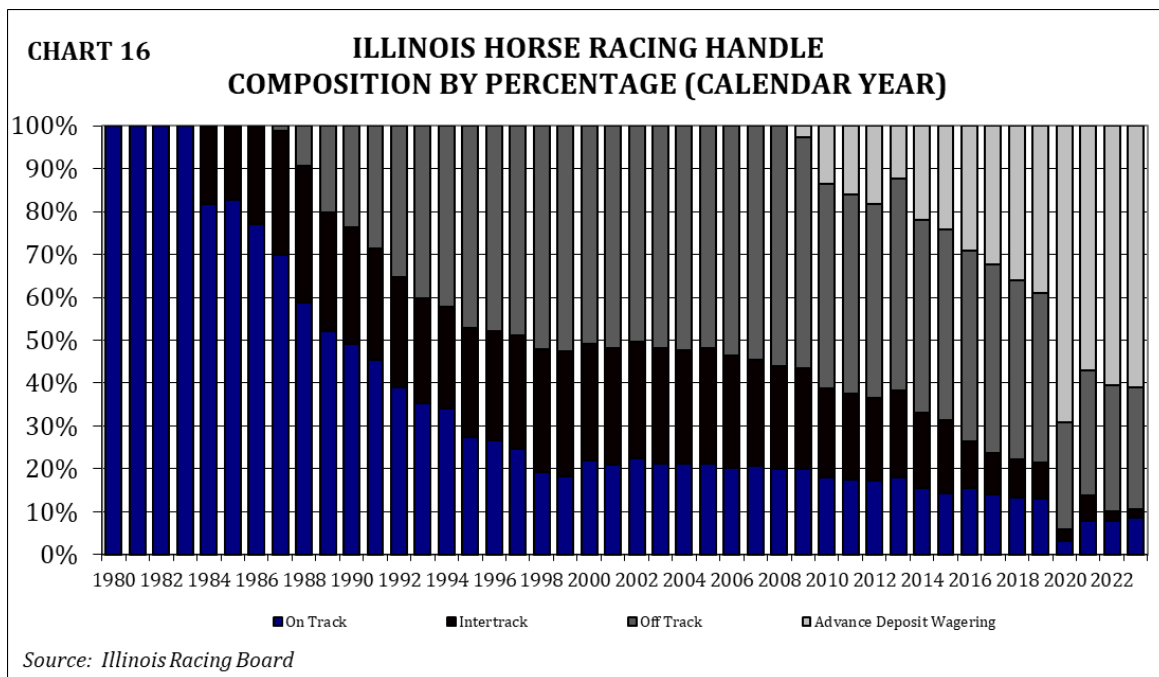
In its 2023 Annual Report, the Racing Board noted that 194 live race dates were conducted during CY 2023. This is notably less than the 200 live race dates conducted in CY 2022, and significantly lower than the 518 race programs that were conducted as recently as CY 2013. This falloff reinforces the declining trend of the horse racing industry over the past decade. In CY 2023, the total handle amounted to \$490.3 million, a figure 4.6% lower than the \$514.1 million handle collected in CY 2022. CY 2023's latest total amounted to the lowest tally in over 40 years and follows the trend that horse racing remains well below levels of the past. Historical horse racing handle figures are displayed below.



In CY 2023, the horse racing handle declined by -4.6% from CY 2022—continuing a multi-decade pattern of declining handles. Advance deposit wagering (ADW) continued to make up a substantial part of overall handle composition. The online capabilities of ADW allowed for the wagering in horse racing to persist through the pandemic. The ADW handle declined between CY 2022 and CY 2023 likely reflecting the continued shift towards other forms of wagering. The combined handle from on-track, intertrack, and off-track betting amounted to \$191.7 million in CY 2023, a \$11.3 million decline from CY 2022.

The make-up of Illinois’ overall handle has seen dramatic changes over the past 40 years. Prior to 1984, pari-mutuel wagering was only permitted at on-track racing facilities. This exclusivity was eliminated with the introduction of intertrack (1984) and simulcast (1985) wagering. [For the purpose of this report, the term inter-track wagering will refer to both of these forms of wagering]. This was followed in 1987 by the introduction of off-track betting. Advance Deposit Wagering began in 2009.

As these alternative means of wagering matured, they significantly altered the composition of the total racing handle. Between 1990 and 2023 the percentage of the total handle generated from on-track wagering has slowly fallen from 49% to 9%. The percentage of the total handle generated at off-track wagering facilities increased from 24% to as high as 56% (2008) before falling to 28% in 2023. Inter-track wagering for years remained relatively stable, generally comprising around 25% of the total handle. This rate has now fallen to just 2% as advance deposit wagering has quickly emerged as the trending source for new wagering. After rising to as high as 69%, in part due to the COVID-19 restrictions limiting wagering at the other formats, ADW comprised a 60.9% majority of horse racing handle in CY 2023. Chart 16 illustrates the historic shift in the composition of the racing handle.



2023 Racing Statistics

TABLE 29: Illinois Racing Statistics for 2023			
\$ in millions			
	2022 Handle	2023 Handle	% Change
Thoroughbred	\$161.5	\$153.8	-4.8%
Harness	\$41.4	\$37.8	-8.6%
ADW	\$311.2	\$298.7	-4.0%
Total Illinois Handle	\$514.1	\$490.3	-4.6%
Of the \$490.3 million total handle in 2023....			
Source	Amount	Composition	
On Track	\$41.9	8.5%	
Intertrack	\$10.5	2.1%	
OTBs	\$139.3	28.4%	
ADW	\$298.7	60.9%	
Total	\$490.3	100%	
Location of Race	Amount	Composition	
Wagered on Live Illinois Races	\$17.1	3.5%	
Wagered on Simulcasts	\$473.2	96.5%	
Total	\$490.3	100%	
The handle from live Illinois racing came from:			
Hawthorne	\$10.0		
Fairmount	\$6.8		
State/County Fairs	\$0.2		
Total	\$17.1		

Source: Illinois Racing Board Annual Report

Off-Track Betting (OTB) Licenses

The Illinois Horse Racing Act, effective June 28, 2019, states that Fairmount Park may establish up to 9 intertrack wagering locations (OTB's) and Hawthorne Race Course may establish up to 16 OTB's. Due to the closing of Arlington Racetrack in 2021, many OTB's formerly operated by Arlington began operating on behalf of Hawthorne. As of August 27, 2024, Hawthorne Race Course has 12 OTB's (many formerly operated by Arlington) and Fairmount Park has 3 OTB's. Throughout CY 2023, OTB parlors for Hawthorne in Aurora, Chicago, and Normal closed retail location operations.

A list of the current off-track betting parlors in Illinois is shown in the table below. Any updates to this list can be found on the Racing Board's website at the following location:

<https://www2.illinois.gov/sites/irb/sierra/parimutuel/Pages/OTB.aspx>

TABLE 30: ILLINOIS RACING TRACKS AND ASSOCIATED OTB'S		
TRACK	COUNTY	OTB LOCATIONS
FAIRMOUNT PARK	MADISON	ALTON SAUGET SPRINGFIELD
HAWTHORNE RACE COURSE	COOK	CRESTWOOD EVERGREEN PARK HOFFMAN ESTATES JOLIET LANSING MCHENRY MOKENA NORTH AURORA OAKBROOK TERRACE PROSPECT HEIGHTS ROCKFORD VILLA PARK
<p>NOTE: The Illinois Horse Racing Act, effective June 28, 2019, states that Fairmount Park may establish up to 9 intertrack wagering locations (OTB's), Hawthorne Race Course may establish up to 16 OTB's and Arlington Park may establish up to 18 OTB's. Due to the closing of Arlington Racetrack in 2021, there are no longer any OTBs under Arlington. As of August 27, 2024, Hawthorne Race Course has 12 OTB's (many formerly operated by Arlington) and Fairmount Park has 3 OTB's.</p> <p>Source: Illinois Racing Board</p>		

Advance Deposit Wagering

During the Spring 2009 legislative session, Public Act 96-0762 (SB 1298) was signed into law which allowed advance deposit wagering in Illinois. Advance Deposit Wagering (ADW) officially began in Illinois in October 2009. Under P.A. 96-0762, an individual is allowed to establish an account, deposit money into the account, and use the account balance to pay for pari-mutuel wagering. An advance deposit wager may be placed in person at a wagering facility or from any other location via a telephone-type device or any other electronic means.

In the earlier stages of ADW, this wagering format had to be extended through legislation. However, Public Act 101-0031 removed the sunset date provisions altogether, thereby allowing advance deposit wagering to continue in Illinois into the foreseeable future.

The State generates tax revenue from advance deposit wagering through a flat pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel handle on advance deposit wagering from a location other than a wagering facility (to the Horse Racing Fund). In addition to this tax, a pari-mutuel tax at the rate of 0.25% is imposed on advance deposit wagering (to the Standardbred Purse Fund).

Since advance deposit wagering became operational in 2009, the tax revenues collected from this format and the taxable handle amount for that fiscal year is displayed in the following table. It should be noted that the ADW handle below is slightly different than that displayed in Table 29 on p. 72. This discrepancy is due to the ADW handle being displayed in a Fiscal Year format below as opposed to a Calendar Year format as seen in Table 29.

Fiscal Year	ADW Handle (\$ in millions)	Tax Revenue (\$ in millions)
2012	\$114	\$2.0
2013	\$73	\$1.3
2014	\$133	\$2.3
2015	\$137	\$2.4
2016	\$156	\$2.7
2017	\$175	\$3.1
2018	\$200	\$3.5
2019	\$209	\$3.7
2020	\$265	\$4.6
2021	\$384	\$6.7
2022	\$339	\$5.9
2023	\$301	\$5.3
2024	\$304	\$5.3

In FY 2024, ADW Handle plateaued at a similar total to that recorded in FY 2023. Although Horse Racing handle was down in an overall total on the year, ADW Handle remained at a stable level, but below the historic highs recorded in FY 2021.

The Future of Horse Racing and the Anticipated Impact of P.A. 101-0031

Since the turn of the century, the horse racing industry has been on a steady downward trend. Illinois' horse racing handle continued to fall in CY 2023, resulting in the lowest level in over 40 years (\$490 million). The 2023 handle totals are down a combined 20.7% from ten years ago and down 54.1% over the past two decades. In September 2021, Arlington Park joined Maywood Park and Balmoral Park in closing their facilities. This leaves only two operating racetracks in Illinois.

The horse racing community is hopeful that the racing related changes to P.A. 101-0031 will be the spark needed to turn things around. Although, the desired effects of this Act have yet to be fully delivered by the legislation. This Act authorized casinos at Illinois racetracks, thereby joining a growing number of states to offer this gaming format. The hoped-for outcome is that the addition of racinos will allow racetracks the financial ability to offer higher purses, leading to increased interest, both from horsemen and the fans of horse racing. Proponents have argued that having racinos would not only increase tax revenues for the State, but it would also increase the amount of money wagered on horse racing. However, this has not been the case for states across the country.

For example, over the past decade, Indiana has seen its 'in-state' handle decrease from near \$180 million in 2007 to just over \$36 million in 2023 despite the opening of two racinos in 2008. On the other hand, the casinos at these two locations combined to generate adjusted gross receipts totaling over \$546 million in FY 2024. A portion of the tax revenues imposed on the AGR of these casinos is kept by the track, allowing these racinos to offer higher purses, thus, helping it to "survive". In cases like this, the revenue benefits from having "racinos" have come from the casinos themselves, not from developing new interest by way of pari-mutuel handle increases.

A similar outcome has occurred in the State of Ohio. The first racino opened in Ohio in June 2012. Since then, six additional racinos have opened throughout this state with the latest opening in September 2016. Casino revenues from these seven locations have improved each year (again, the pandemic year of FY 2020 notwithstanding), reaching an AGR total of almost \$1.4 billion in FY 2024. However, despite the impressive casino revenue totals, the racing handle from these Ohio racetracks have not improved. In fact, between 2011 (the last year without racinos) to 2023, the total handle has fallen 59% from \$234 million to \$96 million.

Even if pari-mutuel handles are not necessarily increasing in other states like Indiana and Ohio, their ability to offer higher purses with the help of another revenue source has had a direct detrimental impact on Illinois. With higher prize values in other states, many in the horse racing industry have left Illinois for "greener pastures". Without the ability to offer higher purses, a bad situation has become even worse for Illinois tracks – leading to the closure of several tracks in Illinois.

The timing of when casinos at these racetracks will ultimately open remains in question. According to the Gaming Board's website, Hawthorne's casino license status reached "preliminary suitable" in July 2020. Fairmount reached this same status in October 2020. However, as discussed on page 27, while there is a preliminary plan for Fairmount Park, there are more licensing hurdles to be cleared before a racino can be established. Meanwhile, a potential racino at Hawthorne Race Course still remains a possibility, but it is unclear whether such a project will be able to move forward.

As discussed in the following section, both Fairmount and Hawthorne have obtained a sports gaming license and have been generating revenues over the last three fiscal years. In FY 2024, Hawthorne generated \$54.8 million in adjusted gross receipts while Fairmount generated \$449.4 million. This represented a decrease of -5.5% and an increase of 8.2%, respectively, over the previous fiscal year's AGR total. In fact, Fairmount's license through its partnership with FanDuel, was the highest generating sports wagering license in the state in FY 2024.

The industry is hopeful that the added revenue and exposure that sports wagering is bringing to these facilities will attract a new fan base for horse racing. However, the Racing Board is quick to note that current law does not allocate any of the sports wagering tax revenues, or after-tax revenues retained by the owners of the tracks, to purse accounts. Industry insiders believe that larger purse prizes are necessary to attract more racers to Illinois tracks. While there is a provision that allocates a portion of a racino's after-tax revenues to purses, the delays in opening these casinos at Illinois horse tracks has meant that no direct assistance has been given to these purse accounts so far.

The ability to operate racinos and offer sports betting gives the Illinois horse racing industry a potential "shot in the arm" to help revitalize a struggling industry. Unfortunately for Illinois, the concern is that these changes will merely help Illinois racetracks keep up with the competition rather than standing out from the crowd. Additionally, it remains unclear whether the construction of new racinos will reestablish a robust horse racing industry within Illinois. The revenue from the racinos and sportsbooks at Illinois' racetracks could possibly help the racetracks in the short-term, but the long-term viability of horse racing remains in question given the overall downward trend in horse racing and the increasing abundance of competing gaming options.

SPORTS WAGERING

SPORTS WAGERING

As part of P.A. 101-0031, the Sports Wagering Act was created. The Sports Wagering Act provides that the Illinois Gaming Board shall have the authority to regulate the conduct of sports wagering. The Board shall levy and collect all fees, surcharges, civil penalties, and monthly taxes on adjusted gross sports wagering receipts imposed by this Act and deposit all moneys into the Sports Wagering Fund, except as otherwise provided under this Act.

A summary of the framework of the Sport Wagering Act is provided below. A synopsis of sports wagering's tax revenue statistics since it began in March 2020 follows.

Sports Wagering Related Licenses:

- **Supplier License.** A license to supply a master sports wagering licensee with sports wagering equipment or services necessary for the operation of sports wagering, which shall require a license fee of \$150,000 and a renewal fee of \$150,000 every 4 years;
- **Occupational License.** A license to be employed by a master sports wagering license when the employee works in a designated gaming area that has sports wagering or performs duties in furtherance of or associated with the operation of sports wagering by the master sports wagering licensee, which shall require an annual license fee of \$250;
- **Management Services Provider License.** A license to provide management services under a contract to a master sports wagering licensee, which shall require a nonrefundable license and application fee of \$1,000,000 and a renewal fee of \$500,000 every 4 years;
- **Tier 2 Official League Data Provider License.** A sports governing body or a sports league, organization, or association or a vendor authorized by such sports governing body or sports league, organization, or association to distribute tier 2 official league data may apply to the Board for a tier 2 official league data provider license. The initial license fee (and renewal fee) would range from \$30,000 to \$500,000 based on data sales. The license is valid for 3 years. The term "tier 2 sports wager" refers to a sports wager that is not a sports wager that is determined solely by the final score or final outcome of the sports event and is placed before the sports event has begun.

Master Sports Wagering Licenses. These licenses are authorized at the following locations and have the following requirements:

- **Sports Wagering at Horse Tracks**
 - The initial license fee for a master sports wagering license for an organization licensee (horse track) is 5% of its handle from the preceding calendar year or the lowest amount that is required to be paid as an initial

license fee by an owners licensee, whichever is greater. No initial license fee shall exceed \$10 million.

- An organization licensee licensed on the effective date of this Act shall pay the initial master sports wagering license fee by July 1, 2021 (was July 1, 2020 in the original agreement).
- For an organization licensee licensed after the effective date of this Act, the master sports wagering license fee shall be \$5 million, but the amount shall be adjusted 12 months after the organization licensee begins racing operations based on 5% of its handle from the first 12 months of racing operations.
- The organization licensee may renew the master sports wagering license for a period of 4 years by paying a \$1 million renewal fee to the Board.
- An organization licensee issued a master sports wagering license may conduct sports wagering:
 - At its facility at which inter-track wagering is conducted.
 - At 3 inter-track wagering locations.
 - Over the Internet or through a mobile application.

- **Sports Wagering at Casinos**

- The initial license fee for a master sports wagering license for an owners licensee is 5% of its adjusted gross receipts from the preceding calendar year. No initial license fee shall exceed \$10 million.
- An owners licensee licensed on the effective date of this Act shall pay the initial master sports wagering license fee by July 1, 2021, valid for 4 years (was July 1, 2020 in the original agreement).
- For an owners licensee licensed after the effective date of this Act, the master sports wagering license fee shall be \$5 million, but the amount shall be adjusted 12 months after the owners licensee begins riverboat gambling operations based on 5% of its adjusted gross receipts from the first 12 months of riverboat gambling operations.
- The owners licensee may renew the master sports wagering license for a period of 4 years by paying a \$1 million renewal fee to the Board.
- An owners licensee issued a master sports wagering license may conduct sports wagering:
 - At its facility in this State.
 - Over the Internet or through a mobile application.

- **Sports Wagering at a Sports Facility**

- The Board may issue up to 7 master sports wagering licenses to sports facilities.
- The initial license fee is \$10 million.
- The license may be renewed for a period of 4 years by paying a \$1 million renewal fee to the Board.
- A sports facility may conduct sports wagering at or within a 5-block radius of the sports facility.
- A sports facility or its designee may conduct sports wagering over the Internet within the sports facility or within a 5-block radius of the sports facility.

- **Sports Wagering via Online Sports Wagering Operator**
 - The Board shall issue 3 master sports wagering licenses to online sports wagering operators for a nonrefundable license fee of \$20 million pursuant to an open and competitive selection process.
 - The license may be renewed for a period of 4 years by paying a \$1 million renewal fee to the Board.

- **Lottery Sports Wagering Pilot Program**
 - The Department of the Lottery shall issue one central system provider license pursuant to an open and competitive bidding process.
 - The winning bidder shall pay \$20 million to the Department upon being issued the license.
 - Sports lottery terminals may be placed in no more than 2,500 lottery retail locations in the State. Sports lottery terminals may be placed in an additional 2,500 Lottery retail locations during the second year after the effective date of this Act.
 - For the privilege of operating sports wagering, all proceeds minus net of proceeds returned to players shall be paid into the State Lottery Fund. After amounts owed to the central system provider and licensed agents, as determined by the Department of Lottery, are paid, the remainder shall be transferred on the 15th of each month to the Capital Projects Fund.
 - This Program is repealed on January 1, 2024.

Wagering Requirements and Prohibitions

- A person placing a wager shall be at least 21 years of age.
- A licensee may not accept a wager on a minor league sports event.
- No licensee may accept a wager for a sport involving an Illinois collegiate team online or on a mobile application (originally, the law provided that no wager of any time could be on an Illinois collegiate team).
- There shall be no wager related to a student athlete's individual performance.
- A licensee may only accept a wager from a person physically located in the State.
- Master sports wagering licensees may use any data source for determining the results of all tier 1 sports wagers.
- A sports governing body headquartered in the United States may notify the Board that it desires to supply official league data to master sports wagering licensees for determining the results of tier 2 sports wagers.

Sports Wagering Tax Revenues and Fees (Prior Law)

- In FY 2024, the State collected 15% of a master sports wagering licensee's adjusted gross sports wagering receipts. In subsequent fiscal years, a new tax structure outlined in P.A. 103-0592 is to take effect.
- Revenues from this were deposited into the Sports Wagering Fund and then transferred to the Capital Projects Fund in FY 2024. The recent changes to the distribution percentages for upcoming Fiscal Years are described on the following page.
- Each month the Comptroller shall transfer the amount of license fees collected in the month for initial licenses, except for occupational licenses, from the Sports Wagering Fund to the Rebuild Illinois Projects Fund (P.A. 102-0016).

Recent Changes to Sports Wagering Tax Structure (P.A. 103-0592)

- Beginning on July 1, 2024, a new graduated tax structure was imposed on master sports wagering licensee’s adjusted gross sports wagering receipts. The percentage of tax collected varies depending on the adjusted gross sports wagering receipts collected by that particular licensee in a given fiscal year. In this structure, receipts collected in-person and online are taxed in different brackets. The following table outlines the specific rates of the sports wagering graduated tax structure:

Sports Wagering Graduated Tax Structure		
AGR Range	In-Person Tax Rate	Online Tax Rate
≤ \$30 million	20%	20%
>\$30 million to \$50 million	25%	25%
>\$50 million to \$100 million	30%	30%
>\$100 million to \$200 million	35%	35%
>\$200 million	40%	40%

- P.A. 103-0592 also changed the distribution of revenue collected from sports wagering receipts. Under prior law, all revenue collected was transferred to the Capital Projects Fund (after first being aggregated in the Sports Wagering Fund). The new change will result in 42% of sports wagering revenue being transferred to the Capital Projects Fund and the remaining 58% being transferred to the State’s General Fund.
- It is estimated that the change in tax structure will result in approximately \$200million in additional sports wagering revenues beginning in FY 2025. However, the distribution change does not take effect until September 25, 2024. This would result in a slightly greater distribution to the Capital Projects Fund and a slightly reduced distribution to the State’s General Fund in FY 2025.
- While there is some concern that sports wagering activity may be diminished due to the higher tax structure, there remains potential for expansion via new casino sportsbooks and online wagering platforms.

Overview of Sports Wagering Statistics

When sports wagering became legal in Illinois, the initial expectation was that some form of betting on sports in the state would be ready in time for the Spring 2020 sports season. However, this goal became moot when most sporting events were postponed or canceled because of the COVID-19 pandemic, resulting in minimal amounts of revenues generated in FY 2020.

The return of professional sports in the latter half of 2020 propelled sports wagering revenues in Illinois. In FY 2021, just over \$380 million in adjusted gross receipts (AGR) were generated in its first full year of revenue. At the beginning of FY 2021, revenues were slow to emerge as the first three months generated only \$3.6, \$7.2, and \$6.8 million in AGR. This slow start was caused by the complications of sport returning from the pandemic, as well as implementational issues in registering new sports bettors. However, as conditions improved and sports returned to action, sports wagering activity and revenues quickly escalated. FY 2022 saw the AGR generated from sports wagering increase to a little over \$610 million. In FY 2023, sports wagering AGR surged to \$949 million. In FY 2024, AGR totals continued to climb to \$1.104 billion, a 16.4% increase.

The table below provides a summary of sports wagering statistics in its first five fiscal years in Illinois. As shown, over 1.0 billion wagers have been made during this time. More than \$36.8 billion in bets have been handled with almost \$33.8 billion in payouts. This results in just over \$3.0 billion in adjusted gross receipts from sports wagering, thereby generating approximately \$456 million in tax revenues.

TABLE 31: ILLINOIS SPORTS WAGERING STATISTICS BY FISCAL YEAR					
<i>\$ in millions</i>					
Fiscal Year	Wagers	Handle	Payout	AGR	Tax Revenue
FY 2020	192,007	\$9	\$8	\$0	\$0
FY 2021	146,883,248	\$5,106	\$4,727	\$380	\$57
FY 2022	221,742,054	\$8,515	\$7,904	\$610	\$92
FY 2023	304,730,417	\$10,407	\$9,459	\$949	\$142
FY 2024	335,880,788	\$12,801	\$11,697	\$1,104	\$166
Total	1,009,428,514	\$36,838	\$33,795	\$3,043	\$456

Source: Illinois Gaming Board

The FY 2024 figures benefitted from rapid growth in the volume of online wagers. Additionally, the number of parlay wagers has increased in relation to the total distribution of wagers. These factors have contributed to the historically high AGR figure in FY 2024.

Sports Wagering Details

The following section provides more detail to the FY 2024 totals shown on the previous page. The following tables and graphs display adjusted gross revenue and total tax revenue by license and by month. Eleven casinos and two racetracks are featured, to which data combines in-person and online totals. However, some casinos do not provide online sportsbook services. As such, only in-person totals can be provided at these locations. Licenses are listed by the name of the licensee, seen through their casino name. Those casinos and the online sportsbooks they are partnered with are listed below:

- Alton Casino: N/A
 - Casino Queen, Inc.: DraftKings Sportsbook
 - Elgin Riverboat Resort: Caesars Illinois
 - Fairmount Park, Inc.: FanDuel
 - FHR-Illinois LLC: Circa Sports (Waukegan – American Place Casino)
 - Hawthorne Race Course, Inc.: PointsBet
 - HC Aurora, LLC: Barstool Sportsbook
 - HC Joliet, LLC: N/A
 - Midwest Gaming & Entertainment, LLC: BetRivers
 - Northside Crown Gaming LLC: N/A
 - Par-A-Dice Gaming Corporation: FanDuel
 - Southern Illinois Riverboat/Casino Cruises LLC: N/A
 - The Rock Island Boatworks, LLC: N/A
- **Adjusted Gross Receipts**

As shown in the table below, the highest generating Sports Wagering License of the nine participating entities in FY 2024 was Fairmount Park, Inc. (FanDuel) with a total AGR of \$449.4 million. Rounding out the top three were Casino Queen, Inc. (DraftKings) at \$387.1 million and Midwest Gaming & Entertainment, LLC (owner of BetRivers and the Rivers Casino in Des Plaines) at \$88.5 million.

TABLE 32: TOTAL AGR FROM SPORTS WAGERING IN FY 2024													
<i>By Sports Wagering License</i>													
<i>\$ in millions</i>													
License	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Alton Casino, LLC	\$0.1	\$0.3	\$0.1	\$0.7	\$0.4	\$0.3	\$0.0	\$0.0	\$0.4	\$0.0	\$0.0	\$0.0	\$2.3
Casino Queen, Inc.	\$18.8	\$16.2	\$31.1	\$39.7	\$28.8	\$43.9	\$45.0	\$31.4	\$33.4	\$28.4	\$30.9	\$39.4	\$387.1
Elgin Riverboat Resort	\$2.4	\$1.1	\$2.6	\$4.2	\$0.4	\$4.7	\$5.0	\$2.1	\$4.2	\$2.5	\$3.6	\$1.9	\$34.6
Fairmount Park, Inc.	\$24.7	\$17.4	\$32.7	\$43.5	\$23.2	\$51.8	\$59.6	\$31.9	\$41.4	\$43.9	\$43.0	\$36.5	\$449.4
FHR-Illinois LLC	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.3	\$0.2	\$0.1	\$0.4	\$0.2	\$0.8	\$0.1	\$2.2
Hawthorne Race Course, Inc.	\$3.5	\$2.5	\$4.2	\$6.5	\$3.4	\$5.5	\$6.4	\$3.9	\$3.9	\$3.6	\$6.6	\$4.4	\$54.4
HC Aurora, LLC	\$1.4	\$1.0	\$2.7	\$2.7	\$7.6	\$8.3	\$3.8	\$4.5	\$4.9	\$3.8	\$4.8	\$3.5	\$49.0
HC Joliet, LLC	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2	\$0.2	\$0.2	\$0.1	\$0.0	\$0.1	\$0.1	\$0.1	\$1.6
Midwest Gaming & Entertainment, LLC	\$6.6	\$5.3	\$8.3	\$10.2	\$6.4	\$9.3	\$9.9	\$6.1	\$7.4	\$5.7	\$7.6	\$5.8	\$88.5
Northside Crown Gaming LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.3
Par-A-Dice Gaming Corporation	\$2.9	\$3.1	\$4.4	\$5.0	\$2.2	\$4.0	\$5.1	\$3.7	\$3.5	\$3.7	\$3.4	\$2.8	\$43.7
Southern Illinois Riverboat/Casino Cruises LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1
The Rock Island Boatworks, LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL	\$60.4	\$46.9	\$86.2	\$112.7	\$72.7	\$128.4	\$135.2	\$83.5	\$99.4	\$92.0	\$100.9	\$94.6	\$1,113.1

- **Tax Revenues**

In FY 2024, all tax revenues were deposited into the Sports Wagering Fund and then transferred to the Capital Projects Fund. The tax rate in FY 2024 was a flat 15%. The \$1.113 billion in adjusted gross receipts resulted in a tax revenue total for FY 2024 of \$167.0 million. Table 33 below shows the breakout of the tax revenue generated from sports wagering in Illinois by license and by month, followed by Chart 17 on page 88, which illustrates these monthly tax receipts.

TABLE 33: TOTAL TAX REVENUE GENERATED FROM SPORTS WAGERING IN FY 2024													
<i>by Sports Wagering License</i>													
<i>\$ in millions</i>													
License	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Alton Casino, LLC	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.3
Casino Queen, Inc.	\$2.8	\$2.4	\$4.7	\$6.0	\$4.3	\$6.6	\$6.8	\$4.7	\$5.0	\$4.3	\$4.6	\$5.9	\$58.1
Elgin Riverboat Resort	\$0.4	\$0.2	\$0.4	\$0.6	\$0.1	\$0.7	\$0.8	\$0.3	\$0.6	\$0.4	\$0.5	\$0.3	\$5.2
Fairmount Park, Inc.	\$3.7	\$2.6	\$4.9	\$6.5	\$3.5	\$7.8	\$8.9	\$4.8	\$6.2	\$6.6	\$6.4	\$5.5	\$67.4
FHR-Illinois LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1	\$0.0	\$0.1	\$0.0	\$0.3
Hawthorne Race Course, Inc.	\$0.5	\$0.4	\$0.6	\$1.0	\$0.5	\$0.8	\$1.0	\$0.6	\$0.6	\$0.5	\$1.0	\$0.7	\$8.2
HC Aurora, LLC	\$0.2	\$0.2	\$0.4	\$0.4	\$1.1	\$1.2	\$0.6	\$0.7	\$0.7	\$0.6	\$0.7	\$0.5	\$7.3
HC Joliet, LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.2
Midwest Gaming & Entertainment, LLC	\$1.0	\$0.8	\$1.2	\$1.5	\$1.0	\$1.4	\$1.5	\$0.9	\$1.1	\$0.9	\$1.1	\$0.9	\$13.3
Northside Crown Gaming LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Par-A-Dice Gaming Corporation	\$0.4	\$0.5	\$0.7	\$0.8	\$0.3	\$0.6	\$0.8	\$0.6	\$0.5	\$0.5	\$0.5	\$0.4	\$6.5
Southern Illinois Riverboat/Casino Cruises LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
The Rock Island Boatworks, LLC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL	\$9.1	\$7.0	\$12.9	\$16.9	\$10.9	\$19.3	\$20.3	\$12.5	\$14.9	\$13.8	\$15.1	\$14.2	\$167.0

The following tables display in greater detail the sports wagering revenues from FY 2024. The figures identify the sport level (Table 34) and type of sport (Table 35) that bets were placed on, as well as the handle (the amount of money wagered by bettors) and the payout that gamblers ultimately received. The AGR, shown throughout this section, is essentially the handle minus the payout. The tables also categorize the figures as to whether the wagers were done in-person or online.

Table 34, shows that the vast majority of the wagering was done on professional sports (92.5% of wagers, 85.8% of the handle, and 85.1% of the payouts). College sports made up most of the remaining bets with motor races and other events making up less than 1% of all wagering activity in FY 2024. As explored above, part of this divide can be attributed to recently amended laws that limit wagers on Illinois colleges and universities to permit in-person betting for colleges in Illinois.

TABLE 34: FY 2024 DETAILED SUMMARY OF SPORTS WAGERING IN ILLINOIS
by Sport Level and Wagering Format
\$ in millions

Wagers				
Sport Level	In-Person	Online	Total	% of Total
Professional	3,581,401	307,067,089	310,648,490	92.5%
College	419,969	24,265,720	24,685,689	7.3%
Motor Race	10,798	610,265	621,063	0.2%
Other Event	2	314	316	0.0%
TOTAL	4,012,170	331,943,388	335,955,558	100.0%
Handle				
Sport Level	In-Person	Online	Total	% of Total
Professional	\$301.3	\$10,681.4	\$10,982.7	85.8%
College	\$70.7	\$1,739.1	\$1,809.7	14.1%
Motor Race	\$0.3	\$9.8	\$10.1	0.1%
Other Event	\$0.0	\$0.0	\$0.0	0.0%
TOTAL	\$372.3	\$12,430.3	\$12,802.6	100.0%
Payout				
Sport Level	In-Person	Online	Total	% of Total
Professional	\$273.3	\$9,677.4	\$9,950.7	85.1%
College	\$68.6	\$1,671.2	\$1,739.7	14.9%
Motor Race	\$0.2	\$7.9	\$8.1	0.1%
Other Event	\$0.0	\$0.0	\$0.0	0.0%
TOTAL	\$342.1	\$11,356.4	\$11,698.5	100.0%

As shown in Table 35, in terms of the type of sport wagered on, the categories provided by the State Gaming Board’s database show that “parlays” had the highest percentage of wagers in FY 2024 for the fourth year in a row, accounting for 58.0% of wagers. A “parlay” is when a bettor makes multiple wagers and ties them together into the same bet. Parlays can involve multiple bets in the same sport or across multiple sports (which is why it has its own category, though, parlays are often made on just one type of sport). Basketball had the 2nd most wagers (12.5%), followed by football (10.0%) and baseball (6.7%).

Despite consisting of a majority of wagers, parlays did not comprise a plurality of payout, as basketball had the most activity at 26.4%, benefitting from both the NBA season and playoffs, as well as the popular NCAA tournament. The composition of the handle was led by the parlay category (28.2%) with basketball and football. As shown in both tables, the vast majority of wagering activity was done online in wagers, handles, and payout.

TABLE 35: FY 2024 DETAILED SUMMARY OF SPORTS WAGERING IN ILLINOIS
by Sporting Event and Wagering Format
\$ in millions

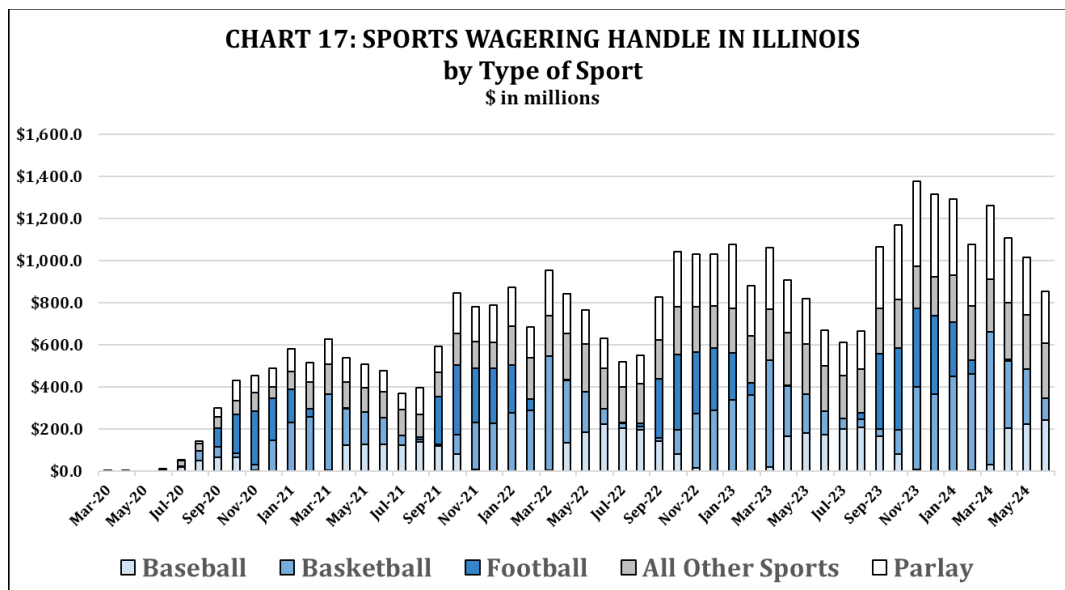
Wagers				
Sporting Event	In-Person	Online	Total	% of Total
Baseball	389,267	22,013,760	22,403,027	6.7%
Basketball	548,205	41,527,167	42,075,372	12.5%
Boxing/MMA	31,929	2,548,435	2,580,364	0.8%
Football	527,951	33,213,987	33,741,938	10.0%
Golf	55,153	4,417,532	4,472,685	1.3%
Hockey	87,777	5,599,512	5,687,289	1.7%
Soccer	159,772	9,018,700	9,178,472	2.7%
Tennis	54,985	11,035,068	11,090,053	3.3%
Parlay	2,132,139	192,879,640	195,011,779	58.0%
Other Sport	14,192	9,079,008	9,093,200	2.7%
Motor Race Event	10,798	610,265	621,063	0.2%
Other Event	2	314	316	0.0%
TOTAL	4,012,170	331,943,388	335,955,558	100.0%
Handle				
Sporting Event	In-Person	Online	Total	% of Total
Baseball	\$49.3	\$1,304.6	\$1,353.9	10.6%
Basketball	\$79.6	\$3,137.5	\$3,217.1	25.1%
Boxing/MMA	\$3.6	\$112.0	\$115.6	0.9%
Football	\$81.5	\$1,775.7	\$1,857.2	14.5%
Golf	\$3.2	\$159.9	\$163.1	1.3%
Hockey	\$14.4	\$303.3	\$317.6	2.5%
Soccer	\$20.5	\$510.9	\$531.5	4.2%
Tennis	\$9.1	\$952.3	\$961.4	7.5%
Parlay	\$109.0	\$3,497.0	\$3,606.0	28.2%
Other Sport	\$1.6	\$667.1	\$668.7	5.2%
Motor Race Event	\$0.3	\$9.8	\$10.1	0.1%
Other Event	\$0.0	\$0.0	\$0.0	0.0%
TOTAL	\$372.3	\$12,430.1	\$12,802.4	100.0%
Payout				
Sporting Event	In-Person	Online	Total	% of Total
Baseball	\$47.4	\$1,242.2	\$1,289.6	11.0%
Basketball	\$76.2	\$3,016.3	\$3,092.4	26.4%
Boxing/MMA	\$3.3	\$107.9	\$111.3	1.0%
Football	\$78.0	\$1,692.3	\$1,770.4	15.1%
Golf	\$3.0	\$152.3	\$155.2	1.3%
Hockey	\$13.5	\$286.5	\$300.0	2.6%
Soccer	\$19.8	\$474.4	\$494.2	4.2%
Tennis	\$8.8	\$890.2	\$899.0	7.7%
Parlay	\$90.4	\$2,854.9	\$2,945.3	25.2%
Other Sport	\$1.5	\$631.5	\$633.0	5.4%
Motor Race Event	\$0.2	\$7.9	\$8.1	0.1%
Other Event	\$0.0	\$0.0	\$0.0	0.0%
TOTAL	\$342.1	\$11,356.4	\$11,698.5	100.0%

- **License Fees from Sports Wagering**

In addition to the tax revenues generated from sports wagering, numerous license fees are collected as well. A synopsis of the various fees is provided at the start of this section. In FY 2020, \$7.1 million was generated from these fees. This amount skyrocketed to \$61.8 million in FY 2021 as a result of the proliferation of sports wagering across the State. After the initial surge of new licenses, the amount of fees collected slowed to \$14.3 million in FY 2022. Sports wagering license fees continued to slide to \$5.5 million in FY 2023. In FY 2024, several casinos acquired master sports wagering licenses. This caused sports wagering license fees to surge to a total of \$30.1 million over the fiscal year. The issuance of additional licenses, as well as renewal fees [every 4 years] should result in a slightly reduced, but steady flow of revenues from fees in the years to come. Revenues from the fees (depending on the type) are earmarked for the State Gaming Fund, the Capital Projects Fund, or the Rebuild Illinois Projects Fund. These amounts are included in the revenue totals shown on page 2. However, due to the lag between when fees are reported and actually transferred, revenues collected at the end of a fiscal year may not be transferred until the following fiscal year. This is the reason for the discrepancy if comparing the taxes and fee totals from above with those in Table 1 of the report.

- **Sports Wagering Activity Since Inception**

Chart 17 displays sports wagering’s monthly handle composition by type of sport since its inception in March 2020. This graph displays how the ebbs and flow of sports wagering activity during the year depends on the type of sport that is in season. For example, during the summer months, without the popular sports of basketball and football in progress, there tends to be a slowdown in sports wagering activity. However, as football returns in the fall, wagering activity increases. Then, as football is joined by basketball in the late fall and winter months, monthly activity escalates. While monthly totals are expected to increase above these levels in the future as sports wagering expands, similar patterns of seasonal activity are expected throughout future sports seasons.



Sports Wagering in Other States

In the Midwest Region, Illinois is currently one of five states to offer sports wagering. Iowa began generating revenues from sports wagering in August 2019. Indiana began shortly after in September 2019. Michigan followed in January 2021, and Ohio opened sports books more recently in January 2023. Again, Illinois entered the industry in March 2020. The bordering state of Missouri has yet to approve sports betting. Wisconsin only has sports wagering at its tribal properties.

Comparatively speaking, Illinois’ recent growth in sports wagering revenues are slightly more pronounced than states who have enacted comparable legislation during a similar timespan. For example, while Illinois’ AGR total increased 16.4% in FY 2024 to \$1.104 billion, Iowa experienced a 13.9% increase to \$212 million. Indiana grew a comparable 8.4% to reach a revenue total of \$452 million in FY 2024.

As would be expected, Illinois’ AGR totals are above the nearby states due to its higher population totals. However, the success of Illinois’ sports wagering revenue totals so far becomes more evident when compared to the similarly populated state of Pennsylvania, which had AGR totals of \$487 million in FY 2024 – well below Illinois’ total of \$1.104 billion. This is despite Pennsylvania being a more established state in sports betting – entering into the industry in November 2018.

A table displaying the AGR history of Illinois, along with Indiana, Iowa, and Pennsylvania is shown below.

TABLE 36: SPORTS WAGERING AGR OF ILLINOIS AND OTHER SELECTED STATES				
<i>\$ in millions</i>				
	Illinois	Indiana	Iowa	Pennsylvania*
FY 2019	\$0	\$0	\$0	\$21.7
FY 2020	\$0.4	\$78.5	\$25.7	\$113.7
FY 2021	\$380.1	\$238.5	\$90.0	\$308.8
FY 2022	\$611.3	\$328.9	\$139.6	\$315.7
FY 2023	\$948.6	\$416.8	\$186.3	\$492.0
FY 2024	\$1,103.7	\$451.9	\$212.3	\$486.6
Totals	\$3,044.1	\$1,514.6	\$653.9	\$1,738.5
FY24/FY23 Growth	16.4%	8.4%	13.9%	-1.1%
* The Pennsylvania values are labeled in their data report as "taxable gross revenue", which is calculated as revenues less promotional credits				
<i>Source: Illinois Gaming Board; Indiana Gaming Commission; Iowa Racing and Gaming Commission; Pennsylvania Gaming Control Board</i>				

The Future of Sports Wagering in Illinois

Illinois was able to generate a 16.4% increase in adjusted gross receipts and tax revenues in FY 2024. Total sports wagering revenues reached a record high of \$1.104 billion. Continued advancement in online wagering through reduced regulatory burdens for the average bettor has contributed to the growth of sports wagering in Illinois. Additionally, the sports wagering market has continued to grow in part due to large advertising exposure during sports events.

As expansion efforts for wagering in Illinois have increased over the past year, the future of sports wagering will face implications based upon other wagering forces. In recent months, new sportsbooks have opened at casinos in Alton, Harrah's Joliet, Carterville, Rock Island. Additionally, a physical sportsbook at Wrigley Field began operations in FY 2024. Online sportsbook bettor registration has dominated sports wagering totals and statistics, which should only continue given the extensive saturation.

As the new graduated tax structure created by P.A. 103-0592 takes effect, sports wagering tax revenue is expected to increase substantially. There is a concern that the additional tax burden will result in a reduced advertising budget for sportsbook operators, which would contribute to less overall sports wagering adjusted gross revenue. Despite this possibility, sports wagering revenues have grown rapidly each year since its inception within the State. Given this trend and the recently added sportsbooks, it is believed that sports wagering will continue to grow overall despite a higher tax structure.

The law provides that three master sports wagering licenses to online sports wagering operators may be issued. Once approved, these licenses would require a license fee of \$20 million. At the time of this report, this type of license had not been issued, though this may occur in the near future. These online operators would be separate from sportsbooks conducting online wagering via the casinos, as well as from the casinos themselves. The increased competition that would be created by these licenses would generate even more sports wagering revenues for Illinois in the years to come.

The future of sports wagering will likely follow overall market conditions as 98.8% of all wagers were made online in FY 2024. Wagering revenues can fluctuate depending on factors such as overall sports viewership, quantity of sportsbook advertising, and economic conditions affecting bettors. As such, future sports wagering revenues are likely to increase at a moderate pace in the coming years, but that scenario could vary considerably depending on the factors stated above.

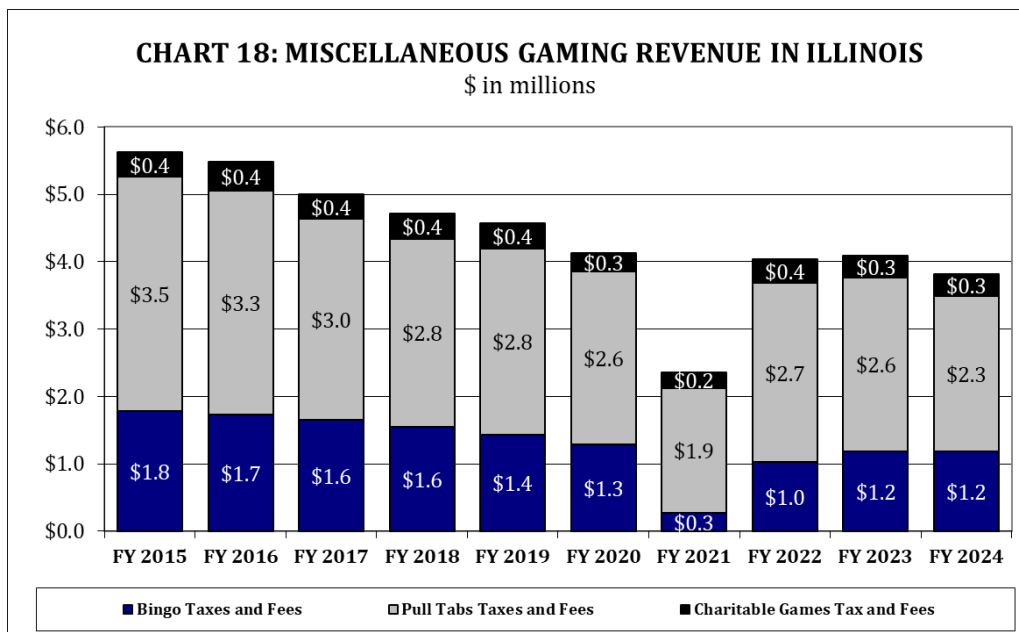
In summary, the continued surge in sports wagering revenues is likely to progress at a moderate rate in the coming years. Continued investment in advertising and new sportsbooks promise overall expansion of the sports wagering market, but the greater tax burden could offset some of these positive developments. In all likelihood, the combination of this larger market, in conjunction with various license fees, will lead to moderate growth in the amounts of tax revenues for State coffers.

MISCELLANEOUS STATE GAMING

Although the Commission traditionally focuses its examinations of Illinois gaming on casino gambling, video gaming, lottery, horse racing, and sports wagering, the State receives additional gaming related tax and license revenue via bingo, charitable games, and pull-tabs and jar games.

- Illinois receives two forms of revenue from bingo games: license fees and the bingo game receipt tax. In FY 2024, the State generated \$113,658 in bingo license fees and \$1,073,552 in bingo taxes. Total bingo receipts were up 0.5% from FY 2023 levels, but 16.8% below pre-pandemic levels of FY 2019.
- Illinois receives two forms of revenue from charitable games: license fees and the charitable games receipts tax. In FY 2024, the State received \$75,900 in license fees and \$251,401 from the charitable games tax. Total charitable games receipts were 1.8% higher than FY 2023 levels, but 13.0% below pre-pandemic FY 2019 levels.
- Illinois receives two forms of revenue from pull-tabs and jar games: license fees and the pull-tab and jar games receipts tax. In FY 2024, the State received \$268,500 in license fees and \$2.0 million from the pull tabs and jar games tax. Total pull-tabs and jar games receipts were down 11.1% from FY 2023 levels, and 17.0% lower than FY 2019 levels.

In total, miscellaneous gaming revenue sources generated \$3.8 million in FY 2024. This figure is 6.7% lower than the FY 2023 total of \$4.1 million. This decrease brings the total decline between current and pre-pandemic levels to 16.6% (\$4.6 million in FY 2019). This comparative decline is not necessarily surprising as these revenues have collectively been on a downward trend over the last decade. The chart below illustrates a history of miscellaneous gaming revenue since FY 2015.



CONCLUSION

The enactment of P.A. 101-0031 and P.A. 101-0648 continues to expand wagering options for gamblers in Illinois. Since the Acts were signed into law in 2019, gaming opportunities have developed throughout Illinois in the form of additional gaming positions at existing casinos, five new operating casinos in various stages of permanency, thousands of new gaming video gaming terminals across the state, and from the implementation of sports wagering. As a result of the continued development of gaming options, State-designated revenues from gaming sources increased 4.8% in FY 2024 to a record high of \$2.088 billion. It is expected that this figure will elevate even higher in the years to come as the video gaming and sports wagering industries expand and as more casinos transition to larger permanent facilities. Additionally, the enactment of P.A. 103-0592 promises to further increase State-designated revenues by increasing the tax rates in video gaming and sports wagering.

State-designated tax revenues continued to follow the trend of moderate growth established in FY 2023. In FY 2024, revenue growth was primarily driven by strong lottery sales, increasing numbers of video gaming terminals, and dramatic growth in sports wagering.

In FY 2023, Illinois saw a casino AGR total of \$1.430 billion. This figure grew by 13.2% in FY 2024 to \$1.618 billion. Most casinos maintained a reasonably flat AGR figure when compared to the previous year. However, the FY 2024 opening of casinos in Carterville and Chicago, as well as other recent casinos in Rockford, Danville, and Waukegan becoming more established, overall AGR totals have risen. In FY 2024, almost \$158 million was transferred to the State's Education Assistance Fund. This represents an increase of only 0.1% over last year's State gaming transfer of \$157 million. One of the primary reasons for the low EAF transfer despite elevated AGR totals is the issuance of hold-harmless credits, which are intended to offset reduced revenues resulting from the establishment of new casinos. The FY 2024 figure remains substantially below historical levels despite the recent uptick in casino activity.

Video gaming's popularity continues to grow as the number of video gaming terminals in operation in Illinois has grown from near 35,000 prior to the pandemic to over 48,000 by the end of FY 2024. Video gaming machines generated over \$2.933 billion in net terminal income in FY 2024, a 3.9% increase over the FY 2023 total of \$2.821 billion. This generated \$997 million in total tax revenue in FY 2024 with \$851 million going to the State and \$147 million being distributed to local governments.

Although the proliferation of video gaming has received an abundance of attention in recent years, the largest contributor of State gaming revenues continues to come from the Illinois Lottery. In FY 2024, lottery sales recorded \$3.858 billion surpassing the previous all-time high in FY 2023. Transfers to the Common School Fund also recorded a record high at \$878 million. In FY 2023, a \$138 million transfer to the Capital Projects Fund was made as part of the reconciliation process. The Office of the Auditor General found that the Lottery had overpaid the Common School Fund at

the expense of the Capital Projects Fund in years prior to 2010 and in 2018. Therefore, a reconciliation was needed to “true-up” the outstanding balance. No transfer to the Capital Projects Fund was made during FY 2024 and no further transfers are anticipated going forward. Special cause transfers remained flat between FY 2023 and FY 2024 at \$8.5 million. In the future, the Lottery will continue to try and grow sales through greater opportunities to access the Lottery and new game innovations.

The horse racing industry in Illinois continues to slide. The amount wagered on horse racing fell by 4.6% in CY 2023, amounting to a decline of \$24 million. This results in a racing handle of \$490 million, the lowest total in over 40 years. In the most recent calendar year, Illinois horse racing generated \$6 million in State designated revenues. The end of live racing at Arlington Park in September 2021 leaves only two racetracks in Illinois still offering live racing (Fairmount and Hawthorne). The racing industry has lobbied for years that offering other types of wagering at their tracks would help alleviate their financial difficulties. P.A. 101-0031 has allowed sportsbooks to be opened at these operating facilities and authorizes “racinos” to be opened at these sites in the future – though the timing of when/if this will occur remains unclear. Although, the racing industry is hopeful that new ownership at Fairmount Park will result in a future racino. However, even with these ancillary revenues, data from other states with racinos shows that improvement in horse racing revenue figures should not be expected.

In its fourth full fiscal year of operations, revenues generated from sports wagering in Illinois grew 16.4% from \$949 million to \$1.104 billion. With the FY 2024 tax rate of 15%, this resulted in \$166 million in new tax revenues for FY 2024 that are ultimately transferred to the Capital Projects Fund. This does not include the numerous fees that are collected each year, which have totaled over \$103 million since sports wagering’s inception. In FY 2024, \$20 million was recorded. Due to the lag between when fees are reported and actually transferred, \$190 million was listed as the total sports wagering transfer. The allowance of online registrations to go along with the popularity of online betting has been the impetus behind the recent growth in sports wagering revenues. The new graduated tax structure provided by P.A. 103-0592 is expected to further increase sports wagering revenues and respective transfers.

Even with the abundance of new gaming opportunities across Illinois over the last couple of years, even more is on the horizon. In addition to further growth in the video gaming and sports wagering industries, permanent casino facilities are set to be opened in Waukegan, the South Suburbs, and the City of Chicago. The 4,000 position Chicago Casino, once developed, is anticipated to be the largest generator of gaming revenues yet for the State of Illinois.

With so many entities competing for the gaming dollar, the question continues to be whether Illinois can support this level of expansion. From a State revenue perspective, the ultimate question will be whether or not the tax revenue generated by the “winners” will be sufficient enough to offset the tax revenue lost by the “losers” in this competitive gaming market.

COMMISSION OVERVIEW

The Commission on Government Forecasting & Accountability is a bipartisan legislative support service agency responsible for advising the Illinois General Assembly on economic and fiscal policy issues and for providing objective policy research for legislators and legislative staff. The Commission's board is comprised of twelve legislators—split evenly between the House and Senate and between Democrats and Republicans.

The Commission has three internal units—Revenue, Pensions, and Research, each of which has a staff of analysts who analyze policy proposals, legislation, state revenues & expenditures, and benefit programs, and who provide research services to members and staff of the General Assembly. The Commission's staff fulfills the statutory obligations set forth in the Commission on Government Forecasting and Accountability Act (25 ILCS 155/), the State Debt Impact Note Act (25 ILCS 65/), the Illinois Pension Code (40 ILCS 5/), the Pension Impact Note Act (25 ILCS 55/), the State Facilities Closure Act (30 ILCS 608/), the State Employees Group Insurance Act of 1971 (5 ILCS 375/), the Public Safety Employee Benefits Act (820 ILCS 320/), the Legislative Commission Reorganization Act of 1984 (25 ILCS 130/), and the Reports to the Commission on Government Forecasting and Accountability Act (25 ILCS 110/).

- The **Revenue Unit** issues an annual revenue estimate, reports monthly on the state's financial and economic condition, and prepares bill analyses and debt impact notes on proposed legislation having a financial impact on the State. The Unit publishes a number of statutorily mandated reports, as well as on-demand reports, including the *Monthly Briefing* newsletter and annually, the *Budget Summary*, *Capital Plan Analysis*, *Illinois Economic Forecast Report*, *Wagering in Illinois Update*, and *Liabilities of the State Employees' Group Insurance Program*, among others. The Unit's staff also fulfills the agency's obligations set forth in the State Facilities Closure Act.
- The **Pension Unit** prepares pension impact notes on proposed pension legislation and publishes several statutorily mandated reports including the *Financial Condition of the Illinois State Retirement Systems*, the *Financial Condition of Illinois Public Pension Systems* and the *Fiscal Analysis of the Downstate Police & Fire Pension Funds in Illinois*. The Unit's staff also fulfills the statutory responsibilities set forth in the Public Safety Employee Benefits Act.
- The **Research Unit** primarily performs research and provides information as may be requested by members of the General Assembly or legislative staffs. Additionally, the Unit maintains a research library and, per statute, collects information concerning state government and the general welfare of the state, examines the effects of constitutional provisions and previously enacted statutes, and considers public policy issues and questions of state-wide interest. Additionally, the Unit publishes a monthly Abstracts Report of annual reports or special studies from other state agencies, the *Illinois Tax Handbook for Legislators*, *Federal Funds to State Agencies*, *Preface to Lawmaking*, various reports detailing appointments to State Boards and Commissions, the *1970 Illinois Constitution Annotated for Legislators*, the *Roster of Illinois Legislators*, and numerous special topic publications.

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