

Video Gaming Regulations

Village Council Meeting
October 19, 2021

Video Gaming Regulations

Background

State Law

Draft Ordinance

Revenue Estimates

Video Gaming Regulations - Background

Illinois Video Gaming Act Adopted in 2009

Village of Downers Grove Opted Out of Video Gaming

Consider Allowing Video Gaming for Restaurants with an On-premise Liquor License is a Priority Action Item in 2021-23 Long Range Plan

Video Gaming Regulations - State Law Summary

Permits Video Gaming in Establishments with On-Premise Consumption Liquor Licenses.

Must Obtain State Video Gaming License

Licenses & Regulates Manufacturers, Distributors, Operators and Technicians

Limits Video Gaming Terminals to 6 per Establishment

Requires 100 ft Separation from Churches and Schools

Restricts Participation to Persons 21 Years of Age and Older

Taxes Revenue at 30%

Distributes 15% of Tax Revenue Collected to Municipalities

Video Gaming Regulations - Draft Ordinance

VoDG License Required to Operating Gaming Terminals (Liquor License)

Available to R1, R2, R3, REC1, REC2, C and B1 Liquor License Holders (55 Establishments)

Must Hold Liquor License for 12 Months in Good Standing

\$1,885 One-Time Application Fee

Maximum of 20 Licenses

Maximum of 6 Gaming Terminals per Establishment

Terminals Must be in Separate Room (Lesser of 25% of Facility of 500 sf)

Must Post Signs Prohibiting Anyone Under 21 to Enter the Room

Liquor License and Video Gaming License Tied Together for Enforcement Purposes

Effective January 1, 2022 (First Come, First Served)

Video Gaming Regulations - Revenue Estimates

VoDG Revenue Sources

- **Application Fees (\$1,885 One-Time Fee)**
- **Annual Terminal Fees (\$1,500 per Terminal)**
- **Share of State Tax Revenue Based on Volume of Activity at VoDG Terminals**

Revenue Estimate of \$250,000 to \$500,000 Annually

- **60 to 120 Terminals**
- **Carol Stream = \$365,000 from 75 Terminals (\$4,867 per Terminal)**
- **Westmont = \$385,000 from 79 Terminals (\$4,873 per Terminal)**

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