

Video Gaming Proposed Changes

June 27, 2019

- On June 7th, the F&A committee considered amendments to the Video Gaming Ordinance that included a prohibition of new video gaming licenses in unincorporated Lake County.
- During the committee discussion the following questions/concerns were noted:
 - **To understand the current liquor license ordinance (including any subtypes) and process tied to video gaming permits issued by the county;**

Application for a liquor license is required and certain requirements must be met prior to the Liquor Control Commissioner's consideration for granting a liquor license.

A requestor must have a liquor license (licenses A & B) in order to request a video gaming permit. If ban is adopted, liquor licenses within the codified count can be issued, but Lake County will no longer issue new video gaming permits (those who obtain newly issued liquor licenses will not be able to have video gaming).

Since this is a ban on "new" video gaming permits, currently issued permits are not impacted. Furthermore, the additional permits allowed by new legislation will be granted to those applicable current license holders.

- **To understand the impact to transferability of liquor licenses/video gaming permits to current and business/property owners;**

The Will County ban on new video gaming does not include language that allows licenses/permits to be transferred as a part of a business sale/transaction (depending on the specific transaction). Nevertheless, in practice transferability is practiced and allowed.

When there is a current and active license/permit in place during the sale of a business and the new business owner meets all requirements, the license/permit transfer is allowed. When a business closes prior to any sale/business transaction, the license/permit reverts back to the County and is no longer assigned to an entity. If later, the property is sold/purchased, the new owner would have to apply for a liquor license (if desired) and the Liquor Control Commissioner will review and consider their application.

Under the proposed ban, video permit applications would not be permitted.

- **To provide alternatives to the proposed ordinance ban language (i.e. stricter regulations), such as:**

- In lieu of a ban, can the County limit the # of video gaming permits?

The County has no regulatory control over video gaming. It only has that authority over liquor licenses.

State statute gives the County the authority to decide to HAVE or NOT TO HAVE video gaming in the unincorporated area.

- **Can the County limit time frame of the ban?**

SAO recommends no time be set for ban. If the County bans new video gaming, it should be permanent (without an end time). If the County decides to lift the ban, an amendment to the ordinance should be proposed at that time.

- **Amendment Options for Consideration:**

- **ORIGINAL OPTION:** Prohibit new video gaming licenses in unincorporated Lake County.
- **OPTION TWO:** Prohibit new video gaming licenses in unincorporated Lake County, but allow the transfer of current licenses by adding a clause that reads:

- *An exempted business location described in paragraph (a), that has operated continuously and is in full compliance with liquor and gaming licensing requirements, may upon sale of the business, retain its exempted status. This exempted status shall be contingent upon the subsequent business owner's eligibility for, and compliance with, liquor and gaming licensing requirements. No such exemption will apply if a business has ceased operation or has violated any other liquor or gaming law.*