



2003-9

**EXECUTIVE ORDER TO TRANSFER FUNCTIONS OF THE DEPARTMENT  
OF THE LOTTERY, THE LIQUOR CONTROL COMMISSION AND THE  
ILLINOIS RACING BOARD TO THE DEPARTMENT OF REVENUE**

WHEREAS, Article V, Section 11 of the Constitution of the State of Illinois, as implemented by the Executive Reorganization Implementation Act, 15 ILCS 15/1, authorizes the Governor, by executive order, to reorganize agencies directly responsible to the Governor by (a) the transfer of the whole or any part of any agency, or of the whole or any part of the functions thereof, to the jurisdiction and control of any other agency, (b) the consolidation or coordination of the whole or any part of any other agency, or of the whole or any part of the functions thereof, with the whole or any part of any other agency or the functions thereof, (c) the consolidation or coordination of any part of any agency or the functions thereof with any other part of the same agency or the functions thereof, (d) the abolition of the whole or any part of any agency which does not have, or upon the taking effect of such reorganization will not have, any functions, and (e) the establishment of a new agency to perform all or any part of the functions of an existing agency or agencies; and

WHEREAS, there are a number of existing executive agencies directly responsible to the Governor which have rights, powers, duties and responsibilities that involve, in significant part, the collection of proceeds, charges and other forms of revenue to the State of Illinois. Streamlining and consolidating the functions of certain of these agencies in a single agency offers the opportunity to realize significant cost savings, eliminate redundancy and simplify the organizational structure of the Executive Branch, improve accessibility and accountability, provide more efficient use of specialized expertise and facilities, reduce administrative support, and promote more effective sharing of best practices and state of the art technology, among other things; and

WHEREAS, the foregoing benefits can be achieved by transferring the functions of the Department of the Lottery to the Department of Revenue and then abolishing the Department of the Lottery, and by reassigning the Liquor Control Commission and the Illinois Racing Board to the Department of Revenue;

THEREFORE, pursuant to the powers vested in me by Article V, Section 11 of the Illinois Constitution, I hereby order:

I. TRANSFER

- A. All the powers, duties, rights and responsibilities vested in the Department of the Lottery shall be transferred to the Department

of Revenue. The statutory powers, duties, rights and responsibilities of the Department of the Lottery derive from 20 ILCS 1605/1 et seq.

- B. Whenever any provision of an Executive Order or any Act or section thereof transferred by this Executive Order provides for membership of the Director of the Department of the Lottery on any council, commission, board or other entity, the Director of the Department of Revenue or his/her designee(s) shall serve in that place. If more than one such commissioner/director is required by law to serve on any council, commission, board or other entity, an equivalent number of representatives of the Department of Revenue shall so serve.
- C. The Illinois Liquor Control Commission and all the rights, powers and duties by law vested in the Illinois Liquor Control Commission, including the power to appoint investigators and hearing officers, are retained under the Commission except that clerks, other management and staff support or employees, and other resources necessary for the operation of the Liquor Control Commission shall be provided by the Department of Revenue. Services performed related to the oversight of the control, sale or disposition of alcoholic liquor will be under the supervision of the executive director of the Commission and the Commission. The secretary and the executive director of the Commission shall be appointed by the

Governor. The statutory powers, duties, rights and responsibilities of the Liquor Control Commission derive from the Liquor Control Act, 235 ILCS 5/3-1 et seq.

- D. The Illinois Racing Board and all the rights, powers and duties by law vested in the Illinois Racing Board, including the power to appoint a director of mutuels and investigators, are retained under the Board except that state veterinarians and representatives, licensing personnel, state seasonal employees, other management and staff support or employees, and other resources necessary for the operation of the Illinois Racing Board shall be provided by the Department of Revenue. Services performed related to the oversight of the Illinois horse racing industry will be under the supervision of the executive director of the Board and the Board. The executive director of the Board shall be appointed by the Governor. The statutory powers, duties, rights and responsibilities of the Illinois Racing Board derive from the Illinois Horse Racing Act of 1975, 230 ILCS 5/1 et seq.

## II. EFFECT OF TRANSFER

- A. The Department of the Lottery, and all offices, bureaus and divisions thereof are hereby abolished.
- B. The powers, duties, rights and responsibilities vested in the Lottery Control Board shall not be affected by this Executive Order,

including the power to appoint hearing officers, except that other management and staff support or other resources necessary to the operation of the Lottery Control Board shall be provided by the Department of Revenue.

- C. The powers, duties, rights and responsibilities vested in the Liquor Control Commission shall not be affected by this Executive Order, except that clerks and other management and staff support or employees or other resources necessary to the operation of the Liquor Control Commission shall be provided by the Department of Revenue. Services performed related to the oversight of the control, sale or disposition of alcoholic liquor will be under the supervision of the executive director of the Commission and the Commission. The secretary and the executive director of the Commission shall be appointed by the Governor.
- D. The powers, duties, rights and responsibilities vested in the Illinois Racing Board shall not be affected by this Executive Order, except that state veterinarians and representatives, licensing personnel, state seasonal employees, other management and staff support or employees or other resources necessary to the operation of the Illinois Racing Board shall be provided by the Department of Revenue. Services performed related to the oversight of the Illinois horse racing industry will be under the supervision of the executive

director of the Board and the Board. The executive director of the Board shall be appointed by the Governor.

- E. The rights of the employees, the State and its agencies under the Personnel Code and applicable collective bargaining agreements or under any pension, retirement or annuity plan shall not be affected by this Executive Order. Personnel under the Department of the Lottery, the Liquor Control Commission and the Illinois Racing Board affected by this Executive Order shall continue their service within the Department of Revenue. All such personnel shall initially constitute probationary employees under the Personnel Code. The Department of Central Management Services shall establish a procedure for qualification and retention of personnel in accordance with the Personnel Code.
- F. All books, records, papers, documents, property (real and personal), contracts, unexpended appropriations and pending business pertaining to the powers, duties, rights and responsibilities transferred by this Executive Order from the Department of the Lottery, the Liquor Control Commission and the Illinois Racing Board to the Department of Revenue, including but not limited to material in electronic or magnetic format and necessary computer hardware and software, shall be delivered to the Department of Revenue pursuant to the direction of the Director of the Department of Revenue.

### III. SAVINGS CLAUSE

- A. The powers, duties, rights and responsibilities transferred to the Department of Revenue by this Executive Order shall be vested in and shall be exercised by the Department of Revenue. Each act done in exercise of such powers, duties, rights and responsibilities shall have the same legal effect as if done by the Department of the Lottery, the Liquor Control Commission, the Illinois Racing Board, or their divisions, officers or employees.
- B. Every person or corporation shall be subject to the same obligations and duties and any penalties, civil or criminal, arising therefrom, and shall have the same rights arising from the exercise of such powers, duties, rights and responsibilities as had been exercised by the Department of the Lottery, the Liquor Control Commission, the Illinois Racing Board, or their divisions, officers or employees.
- C. Every officer of the Department of Revenue shall, for any offense, be subject to the same penalty or penalties, civil or criminal, as are prescribed by existing law for the same offense by any officer whose powers or duties were transferred under this Executive Order.
- D. Whenever reports or notices are now required to be made or given or papers or documents furnished or served by any person to or

upon the Department of the Lottery, the Liquor Control Commission or the Illinois Racing Board in connection with any of the functions transferred by this Executive Order, the same shall be made, given, furnished or served in the same manner to or upon the Department of Revenue.

- E. This Executive Order shall not affect any act done, ratified or canceled or any right occurring or established or any action or proceeding had or commenced in an administrative, civil or criminal cause regarding the Department of the Lottery, the Liquor Control Commission or the Illinois Racing Board before this Executive Order takes effect, but such actions or proceedings may be prosecuted and continued by the Department of Revenue.
- F. Any rules of the Department of the Lottery that are in full force on the effective date of this Executive Order and that have been duly adopted by the Department of the Lottery shall become the rules of the Department of Revenue. This Executive Order shall not affect the legality of any such rules in the Illinois Administrative Code. Any proposed rulings filed with the Secretary of State by the Department of the Lottery that are pending in the rulemaking process on the effective date of this Executive Order, shall be deemed to have been filed by the Department of Revenue. As soon as practicable hereafter, the Department of Revenue shall revise and clarify the rules transferred to it under this Executive



Order to reflect the reorganization of rights, power and duties effected by this Order, using the procedures for recodification of rules available under the Illinois Administrative Procedures Act, except that existing title, part, and section numbering for the affected rules may be retained. The Department of Revenue may propose and adopt under the Illinois Administrative Act such other rules of the reorganized agencies that will now be administered by the Department of Revenue.

G. Any rules of the Liquor Control Commission or the Illinois Racing Board that are in full force on the effective date of this Executive Order and that have been duly adopted by the Liquor Control Commission or the Illinois Racing Board and pertain to the functions transferred shall become the rules of the Department of Revenue. This Executive Order shall not affect the legality of any such rules in the Illinois Administrative Code. Any proposed rulings filed with the Secretary of State by the Liquor Control Commission or the Illinois Racing Board that are pending in the rulemaking process on the effective date of this Executive Order and pertain to the functions transferred, shall be deemed to have been filed by the Department of Revenue. As soon as practicable hereafter, the Department of Revenue shall revise and clarify the rules transferred to it under this Executive Order to reflect the reorganization of rights, power and duties effected by this Order, using the

procedures for recodification of rules available under the Illinois Administrative Procedures Act, except that existing title, part, and section numbering for the affected rules may be retained. The Department of Revenue may propose and adopt under the Illinois Administrative Act such other rules of the reorganized agencies that will now be administered by the Department of Revenue.

IV. SEVERABILITY

If any provision of this Executive Order or its application to any person or circumstance is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision or application of this Executive Order which can be given effect without the invalid provision or application. To achieve this purpose, the provisions of this Executive Order are declared to be severable.

V. EFFECTIVE DATE

This Executive Order shall become effective on the 61st day after its delivery to the General Assembly.

---

ROD R. BLAGOJEVICH  
Governor

Issued by the Governor: March \_\_\_\_, 2003

Filed with the Secretary of State: March \_\_\_\_, 2003