94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0665

Introduced 1/28/2005, by Rep. Jay C. Hoffman

SYNOPSIS AS INTRODUCED:

230 ILCS 5/26

from Ch. 8, par. 37-26

Amends the Illinois Horse Racing Act of 1975. Makes changes concerning which licensee shall retain the sum held for unclaimed parimutuel tickets. Provides that non-host licensees who derive their licenses from the Fairmount Park shall pay 50% of the sum held for unclaimed tickets (in addition to 50% of the retention from interstate simulcast wagers) to the purses at Fairmount Park. Effective immediately.

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AN ACT concerning gaming.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The Illinois Horse Racing Act of 1975 is amended
by changing Section 26 as follows:

- 6 (230 ILCS 5/26) (from Ch. 8, par. 37-26)
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Sec. 26. Wagering.

(a) Any licensee may conduct and supervise the pari-mutuel 8 system of wagering, as defined in Section 3.12 of this Act, on 9 horse races conducted by an Illinois organization licensee or 10 conducted at a racetrack located in another state or country 11 and televised in Illinois in accordance with subsection (g) of 12 Section 26 of this Act. Subject to the prior consent of the 13 14 Board, licensees may supplement any pari-mutuel pool in order 15 to guarantee a minimum distribution. Such pari-mutuel method of wagering shall not, under any circumstances if conducted under 16 17 the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary 18 19 notwithstanding. Subject to rules for advance wagering promulgated by the Board, any licensee may accept wagers in 20 21 advance of the day of the race wagered upon occurs.

(b) No other method of betting, pool making, wagering or gambling shall be used or permitted by the licensee. Each licensee may retain, subject to the payment of all applicable taxes and purses, an amount not to exceed 17% of all money wagered under subsection (a) of this Section, except as may otherwise be permitted under this Act.

(b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized under this Act provided that wager is electronically recorded in the manner described in Section 3.12 of this Act. Any wager made electronically by an individual while physically on the

1 premises of a licensee shall be deemed to have been made at the 2 premises of that licensee.

3 (c) Until January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior 4 5 to December 31 of the next year, shall be retained by the 6 licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, 7 8 less any uncashed supplements contributed by such licensee for 9 the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' 10 11 Rehabilitation Fund of the State treasury, except as provided 12 in subsection (g) of Section 27 of this Act.

13 (c-5) Until Beginning January 1, 2005 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if 14 15 unclaimed prior to December 31 of the next year, shall be 16 retained by the licensee for payment of such tickets until that 17 date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed 18 19 by such licensee for the purpose of guaranteeing minimum 20 distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee 21 and the organization licensee. 22

23 (c-7) On and after January 1, 2005, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if 24 unclaimed prior to December 31 of the next year, shall be 25 retained for payment of such tickets until that date by the 26 27 organization licensee or inter-track wagering licensee at which the wagers were placed and, in the case of an inter-track 28 wagering location licensee, by the organization licensee from 29 which the inter-track wagering location license is derived. 30 31 Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such 32 licensee for the purpose of guaranteeing minimum distributions 33 of any pari-mutuel pool, shall be evenly distributed to the 34 35 purse account of the organization licensee and the organization 36 licensee.

1 (d) A pari-mutuel ticket shall be honored until December 31 2 of the next calendar year, and the licensee shall pay the same 3 and may charge the amount thereof against unpaid money 4 similarly accumulated on account of pari-mutuel tickets not 5 presented for payment.

(e) No licensee shall knowingly permit any minor, other 6 7 than an employee of such licensee or an owner, trainer, jockey, 8 driver, or employee thereof, to be admitted during a racing 9 program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering 10 11 conducted or supervised by it. The admission of any 12 unaccompanied minor, other than an employee of the licensee or 13 an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor. 14

15 (f) Notwithstanding the other provisions of this Act, an 16 organization licensee may contract with an entity in another 17 state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other 18 19 state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers 20 shall not be subject to State taxation. Until January 1, 2000, 21 22 when the out-of-State entity conducts a pari-mutuel pool 23 separate from the organization licensee, a privilege tax equal 24 to 7 1/2% of all monies received by the organization licensee 25 from entities in other states or countries pursuant to such 26 contracts is imposed on the organization licensee, and such 27 privilege tax shall be remitted to the Department of Revenue 28 within 48 hours of receipt of the moneys from the simulcast. 29 When the out-of-State entity conducts a combined pari-mutuel 30 pool with the organization licensee, the tax shall be 10% of all monies received by the organization licensee with 25% of 31 32 the receipts from this 10% tax to be distributed to the county in which the race was conducted. 33

An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more locations in other states and may transmit audio and visual

signals of races the organization licensee conducts to one or more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined with its gross or net wagering pools or with wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers on 6 horse races conducted in other states or countries and shall 7 control the number of signals and types of breeds of racing in 8 9 its simulcast program, subject to the disapproval of the Board. 10 The Board may prohibit a simulcast program only if it finds 11 that the simulcast program is clearly adverse to the integrity of racing. The host track simulcast program shall include the 12 13 signal of live racing of all organization licensees. All non-host licensees shall carry the host track simulcast program 14 and accept wagers on all races included as part of the 15 16 simulcast program upon which wagering is permitted. The costs 17 and expenses of the host track and non-host licensees associated with interstate simulcast wagering, other than the 18 19 interstate commission fee, shall be borne by the host track and 20 all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the 21 interstate simulcast race or races without prior approval of 22 23 the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. The 24 25 interstate commission fee and other fees charged by the sending 26 racetrack, including, but not limited to, satellite decoder 27 fees, shall be uniformly applied to the host track and all non-host licensees. 28

29 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an 30 intertrack wagering licensee other than the host track may 31 supplement the host track simulcast program with 32 additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any 33 inclusive, if live thoroughbred racing is 34 year, no occurring Illinois only 35 in during this period, 36 thoroughbred races may be used for supplemental interstate

1 simulcast purposes. The Board shall withhold approval for a 2 supplemental interstate simulcast only if it finds that the 3 simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from 4 5 an intertrack wagering licensee to its affiliated non-host 6 licensees. The interstate commission fee for а supplemental interstate simulcast shall be paid by the 7 non-host licensee and its affiliated non-host licensees 8 9 receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an 10 11 intertrack wagering licensee other than the host track may 12 receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that 13 the simulcast is clearly adverse to the integrity of 14 racing. Consent granted under this paragraph (2) to any 15 16 intertrack wagering licensee shall be deemed consent to all 17 non-host licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all 18 19 participating non-host licensees.

20 (3) Each licensee conducting interstate simulcast 21 wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 22 17% of all money wagered. If any licensee conducts the 23 24 pari-mutuel system wagering on races conducted at 25 racetracks in another state or country, each such race or race program shall be considered a separate racing day for 26 27 the purpose of determining the daily handle and computing 28 the privilege tax of that daily handle as provided in 29 subsection (a) of Section 27. Until January 1, 2000, from 30 sums permitted to be retained pursuant to this the 31 subsection, each intertrack wagering location licensee 32 shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject 33 to the provisions of subparagraph (B) of paragraph (11) of 34 subsection (h) of Section 26 of this Act. 35

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(4) A licensee who receives an interstate simulcast may

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1 combine its gross or net pools with pools at the sending 2 racetracks pursuant to rules established by the Board. All 3 licensees combining their gross pools at a sending racetrack shall adopt the take-out percentages of the 4 5 sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races 6 conducted at race tracks outside of the State of Illinois. 7 The licensee may permit pari-mutuel wagers placed in other 8 9 states or countries to be combined with its gross or net 10 wagering pools or other wagering pools.

11 (5) After the payment of the interstate commission fee (except for the interstate commission fee on a supplemental 12 interstate simulcast, which shall be paid by the host track 13 and by each non-host licensee through the host-track) and 14 all applicable State and local taxes, except as provided in 15 16 subsection (g) of Section 27 of this Act, the remainder of 17 moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as 18 follows: 19

20 (A) For interstate simulcast wagers made at a host
21 track, 50% to the host track and 50% to purses at the
22 host track.

23 (B) For wagers placed on interstate simulcast defined 24 races, supplemental simulcasts as in subparagraphs (1) and (2), and separately pooled races 25 conducted outside of the State of Illinois made at a 26 27 non-host licensee, 25% to the host track, 25% to the 28 non-host licensee, and 50% to the purses at the host 29 track.

30 (6) Notwithstanding any provision in this Act to the 31 contrary, non-host licensees who derive their licenses 32 from a track located in a county with a population in 33 excess of 230,000 and that borders the Mississippi River 34 may receive supplemental interstate simulcast races at all 35 times subject to Board approval, which shall be withheld 36 only upon a finding that a supplemental interstate

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simulcast is clearly adverse to the integrity of racing.

(7) Notwithstanding any provision of this Act to the 2 contrary, after payment of all applicable State and local 3 taxes and interstate commission fees, non-host licensees 4 5 who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the 6 Mississippi River shall retain 50% of the retention from 7 interstate simulcast wagers and, on or after the effective 8 9 date of this amendatory Act of the 94th General Assembly, 50% of the sum held for unclaimed tickets as described in 10 11 subsection (c-7) of Section 26 and shall pay 50% of each to purses at the track from which the non-host licensee 12 derives its license as follows: 13

(A) Between January 1 and the third Friday in
February, inclusive, if no live thoroughbred racing is
occurring in Illinois during this period, when the
interstate simulcast is a standardbred race, the purse
share to its standardbred purse account;

(B) Between January 1 and the third Friday in February, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, and the interstate simulcast is a thoroughbred race, the purse share to its interstate simulcast purse pool to be distributed under paragraph (10) of this subsection (g);

(C) Between January 1 and the third Friday in 26 27 February, inclusive, if live thoroughbred racing is 28 occurring in Illinois, between 6:30 a.m. and 6:30 p.m. the purse share from wagers made during this time 29 30 period to its thoroughbred purse account and between 31 6:30 p.m. and 6:30 a.m. the purse share from wagers 32 made during this time period to its standardbred purse 33 accounts;

34 (D) Between the third Saturday in February and
35 December 31, when the interstate simulcast occurs
36 between the hours of 6:30 a.m. and 6:30 p.m., the purse

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share to its thoroughbred purse account;

(E) Between the third Saturday in February and December 31, when the interstate simulcast occurs between the hours of 6:30 p.m. and 6:30 a.m., the purse share to its standardbred purse account.

(7.1) Notwithstanding any other provision of this Act 6 to the contrary, if no standardbred racing is conducted at 7 a racetrack located in Madison County during any calendar 8 9 year beginning on or after January 1, 2002, all moneys 10 derived by that racetrack from simulcast wagering and 11 inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 12 a.m. during that calendar year shall be paid as follows: 13

(A) If the licensee that conducts horse racing at
that racetrack requests from the Board at least as many
racing dates as were conducted in calendar year 2000,
80% shall be paid to its thoroughbred purse account;
and

(B) Twenty percent shall be deposited into the 19 20 Illinois Colt Stakes Purse Distribution Fund and shall be paid to purses for standardbred races for Illinois 21 conceived and foaled horses conducted at any county 22 23 fairgrounds. The moneys deposited into the Fund pursuant to this subparagraph (B) shall be deposited 24 25 within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys 26 27 paid to standardbred purses under this Act, and shall 28 not be commingled with other moneys paid into that 29 Fund. The moneys deposited pursuant to this 30 subparagraph (B) shall be allocated as provided by the 31 Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund 32 Advisory Board. 33

34 (7.2) Notwithstanding any other provision of this Act
 35 to the contrary, if no thoroughbred racing is conducted at
 36 a racetrack located in Madison County during any calendar

year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 a.m. and 6:30 p.m. during that calendar year shall be deposited as follows:

7 (A) If the licensee that conducts horse racing at
8 that racetrack requests from the Board at least as many
9 racing dates as were conducted in calendar year 2000,
10 80% shall be deposited into its standardbred purse
11 account; and

12 (B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund. Moneys 13 deposited into the Illinois Colt Stakes 14 Purse Distribution Fund pursuant to this subparagraph (B) 15 16 shall be paid to Illinois conceived and foaled 17 thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds 18 for Illinois conceived and foaled horses at the 19 20 discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred 21 Breeders Fund Advisory Board. The moneys deposited 22 into the Illinois Colt Stakes Purse Distribution Fund 23 pursuant to this subparagraph (B) shall be deposited 24 25 within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys 26 27 paid to thoroughbred purses under this Act, and shall 28 not be commingled with other moneys deposited into that 29 Fund.

30 (7.3) If no live standardbred racing is conducted at a 31 racetrack located in Madison County in calendar year 2000 32 or 2001, an organization licensee who is licensed to 33 conduct horse racing at that racetrack shall, before 34 January 1, 2002, pay all moneys derived from simulcast 35 wagering and inter-track wagering in calendar years 2000 36 and 2001 and paid into the licensee's standardbred purse 2

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1 account as follows:

(A) Eighty percent to that licensee's thoroughbred purse account to be used for thoroughbred purses; and

(B) Twenty percent to the Illinois Colt Stakes Purse Distribution Fund.

6 Failure to make the payment to the Illinois Colt Stakes 7 Purse Distribution Fund before January 1, 2002 shall result 8 in the immediate revocation of the licensee's organization 9 license, inter-track wagering license, and inter-track 10 wagering location license.

Moneys paid into the Illinois Colt Stakes Purse 11 12 Distribution Fund pursuant to this paragraph (7.3) shall be to purses for standardbred races for Illinois 13 paid conceived and foaled horses conducted at any county 14 fairgrounds. Moneys paid into the Illinois Colt Stakes 15 16 Purse Distribution Fund pursuant to this paragraph (7.3) 17 shall be used as determined by the Department of Agriculture, with the advice and assistance of the Illinois 18 Standardbred Breeders Fund Advisory Board, shall be in 19 20 addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be 21 commingled with any other moneys paid into that Fund. 22

23 (7.4) If live standardbred racing is conducted at a racetrack located in Madison County at any time in calendar 24 25 year 2001 before the payment required under paragraph (7.3) has been made, the organization licensee who is licensed to 26 27 conduct racing at that racetrack shall pay all moneys 28 derived by that racetrack from simulcast wagering and 29 inter-track wagering during calendar years 2000 and 2001 30 that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 31 32 2001 to the standardbred purse account at that racetrack to be used for standardbred purses. 33

34 (8) Notwithstanding any provision in this Act to the
 35 contrary, an organization licensee from a track located in
 36 a county with a population in excess of 230,000 and that

borders the Mississippi River and its affiliated non-host licensees shall not be entitled to share in any retention generated on racing, inter-track wagering, or simulcast wagering at any other Illinois wagering facility.

5 (8.1) Notwithstanding any provisions in this Act to the 6 contrary, if 2 organization licensees are conducting standardbred race meetings concurrently between the hours 7 of 6:30 p.m. and 6:30 a.m., after payment of all applicable 8 9 State and local taxes and interstate commission fees, the remainder of the amount retained from simulcast wagering 10 11 otherwise attributable to the host track and to host track 12 purses shall be split daily between the 2 organization 13 licensees and the purses at the tracks of the 2 organization licensees, respectively, based on 14 each organization licensee's share of the total live handle for 15 16 that day, provided that this provision shall not apply to 17 any non-host licensee that derives its license from a track located in a county with a population in excess of 230,000 18 and that borders the Mississippi River. 19

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(9) (Blank).

21 (10) (Blank).

(11) (Blank).

(12) The Board shall have authority to compel all host
tracks to receive the simulcast of any or all races
conducted at the Springfield or DuQuoin State fairgrounds
and include all such races as part of their simulcast
programs.

28 (13) Notwithstanding any other provision of this Act, 29 in the event that the total Illinois pari-mutuel handle on 30 Illinois horse races at all wagering facilities in any 31 calendar year is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at all such 32 wagering facilities for calendar year 1994, then each 33 wagering facility that has an annual total Illinois 34 pari-mutuel handle on Illinois horse races that is less 35 than 75% of the total Illinois pari-mutuel handle on 36

1 Illinois horse races at such wagering facility for calendar 2 year 1994, shall be permitted to receive, from any amount 3 otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the 4 5 succeeding calendar year, an amount equal to 2% of the 6 differential in total Illinois pari-mutuel handle on Illinois horse races at the wagering facility between that 7 calendar year in question and 1994 provided, however, that 8 9 a wagering facility shall not be entitled to any such 10 payment until the Board certifies in writing to the 11 wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the 12 wagering facility, based on: (i) the racing dates awarded 13 to the race track affiliated with the wagering facility 14 during the succeeding year; (ii) the sums available or 15 16 anticipated to be available in the purse account of the 17 race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure 18 reasonable purse levels during the payment period. The 19 20 Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering 21 facility entitled to a payment under this paragraph (13) is 22 23 affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount 24 to be paid to the wagering facility shall be divided 25 26 between each purse account pro rata, based on the amount of 27 Illinois handle on Illinois standardbred and thoroughbred 28 racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly 29 30 shall appropriate sufficient funds from the General 31 Revenue Fund to the Department of Agriculture for payment 32 into the thoroughbred and standardbred horse racing purse accounts at Illinois pari-mutuel tracks. The amount paid to 33 each purse account shall be the amount certified by the 34 Illinois Racing Board in January to be transferred from 35 each account to each eligible racing facility in accordance 36

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with the provisions of this Section.

2 (h) The Board may approve and license the conduct of 3 inter-track wagering and simulcast wagering by inter-track 4 wagering licensees and inter-track wagering location licensees 5 subject to the following terms and conditions:

6 (1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days of racing were conducted 7 during the immediately preceding calendar year or where 8 9 over the 5 immediately preceding calendar years an average 10 of 30 or more days of racing were conducted annually may be 11 issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi 12 River, which has a population of less than 150,000 13 according to the 1990 decennial census, and an average of 14 at least 60 days of racing per year between 1985 and 1993 15 16 may be issued an inter-track wagering license; or (iii) at 17 a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding 18 calendar year may be issued an inter-track wagering 19 20 license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other 21 acts of God; (B) an agreement between the organization 22 licensee and the associations representing the largest 23 number of owners, trainers, jockeys, or standardbred 24 drivers who race horses at that organization licensee's 25 or (C) a finding by the Board of 26 racing meeting; 27 extraordinary circumstances and that it was in the best 28 interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating 29 30 control of the racing facility may also receive up to 6 inter-track wagering location licenses. In no event shall 31 32 more than 6 inter-track wagering locations be established for each eligible race track, except that an eligible race 33 track located in a county that has a population of more 34 than 230,000 and that is bounded by the Mississippi River 35 may establish up to 7 inter-track wagering locations. An 36

application for said license shall be filed with the Board 1 2 prior to such dates as may be fixed by the Board. With an 3 application for an inter-track wagering location license there shall be delivered to the Board a certified check or 4 5 bank draft payable to the order of the Board for an amount equal to \$500. The application shall be on forms prescribed 6 and furnished by the Board. The application shall comply 7 with all other rules, regulations and conditions imposed by 8 9 the Board in connection therewith.

10 (2) The Board shall examine the applications with 11 respect to their conformity with this Act and the rules and regulations imposed by the Board. If found to be in 12 compliance with the Act and rules and regulations of the 13 Board, the Board may then issue a license to conduct 14 inter-track wagering and simulcast wagering to 15 such 16 applicant. All such applications shall be acted upon by the 17 Board at a meeting to be held on such date as may be fixed by the Board. 18

19 (3) In granting licenses to conduct inter-track 20 wagering and simulcast wagering, the Board shall give due 21 consideration to the best interests of the public, of horse 22 racing, and of maximizing revenue to the State.

(4) Prior to the issuance of a license to conduct 23 inter-track wagering and simulcast wagering, the applicant 24 25 shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the applicant 26 27 and a surety company or companies authorized to do business 28 in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any 29 30 other monies due and payable under this Act, and (ii) 31 distribution by the licensee, upon presentation of the 32 winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools. 33

34 (5) Each license to conduct inter-track wagering and
 35 simulcast wagering shall specify the person to whom it is
 36 issued, the dates on which such wagering is permitted, and

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1 track or location where the wagering is to be the conducted. 2

(6) All wagering under such license is subject to this 3 Act and to the rules and regulations from time to time 5 prescribed by the Board, and every such license issued by 6 the Board shall contain a recital to that effect.

(7) An inter-track wagering licensee or inter-track wagering location licensee may accept wagers at the track or location where it is licensed, or as otherwise provided under this Act.

11 (8) Inter-track wagering or simulcast wagering shall 12 not be conducted at any track less than 5 miles from a track at which a racing meeting is in progress. 13

(8.1) Inter-track wagering location licensees who 14 derive their licenses from a particular organization 15 16 licensee shall conduct inter-track wagering and simulcast 17 wagering only at locations which are either within 90 miles of that race track where the particular organization 18 licensee is licensed to conduct racing, or within 135 miles 19 20 of that race track where the particular organization licensee is licensed to conduct racing in the case of race 21 tracks in counties of less than 400,000 that were operating 22 on or before June 1, 1986. However, inter-track wagering 23 and simulcast wagering shall not be conducted by those 24 25 licensees at any location within 5 miles of any race track 26 at which a horse race meeting has been licensed in the 27 current year, unless the person having operating control of 28 such race track has given its written consent to such inter-track wagering location licensees, which consent 29 30 must be filed with the Board at or prior to the time 31 application is made.

32 (8.2) Inter-track wagering or simulcast wagering shall not be conducted by an inter-track wagering location 33 licensee at any location within 500 feet of an existing 34 church or existing school, nor within 500 feet of the 35 residences of more than 50 registered voters without 36

1 receiving written permission from a majority of the 2 such residences. Such registered voters at written 3 permission statements shall be filed with the Board. The distance of 500 feet shall be measured to the nearest part 4 5 of any building used for worship services, education 6 programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and 7 not to property boundaries. However, inter-track wagering 8 9 or simulcast wagering may be conducted at a site within 500 feet of a church, school or residences of 50 or more 10 11 registered voters if such church, school or residences have 12 been erected or established, or such voters have been 13 after registered, the Board issues the original 14 inter-track wagering location license at the site in question. Inter-track wagering location licensees may 15 16 conduct inter-track wagering and simulcast wagering only 17 in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been 18 19 approved by the local zoning authority. However, no license 20 to conduct inter-track wagering and simulcast wagering 21 shall be granted by the Board with respect to any inter-track wagering location within the jurisdiction of 22 23 any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track 24 25 wagering location within its jurisdiction. However, 26 inter-track wagering and simulcast wagering may be 27 conducted at a site if such ordinance or resolution is 28 enacted after the Board licenses the original inter-track 29 wagering location licensee for the site in question.

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(9) (Blank).

31 (10)An inter-track wagering licensee or an 32 inter-track wagering location licensee may retain, subject to the payment of the privilege taxes and the purses, an 33 amount not to exceed 17% of all money wagered. Each program 34 of racing conducted by each inter-track wagering licensee 35 36 inter-track wagering location licensee shall or be

1 considered a separate racing day for the purpose of 2 determining the daily handle and computing the privilege 3 tax or pari-mutuel tax on such daily handle as provided in 4 Section 27.

5 (10.1) Except as provided in subsection (g) of Section 6 27 of this Act, inter-track wagering location licensees shall pay 1% of the pari-mutuel handle at each location to 7 the municipality in which such location is situated and 1% 8 9 of the pari-mutuel handle at each location to the county in which such location is situated. In the event that an 10 11 inter-track wagering location licensee is situated in an unincorporated area of a county, such licensee shall pay 2% 12 of the pari-mutuel handle from such location to such 13 county. 14

(10.2) Notwithstanding any other provision of this 15 16 Act, with respect to intertrack wagering at a race track 17 located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the 18 first race track"), or at a facility operated by an 19 20 inter-track wagering licensee or inter-track wagering location licensee that derives its license from the 21 organization licensee that operates the first race track, 22 on races conducted at the first race track or on races 23 Illinois 24 conducted at another race track and 25 simultaneously televised to the first race track or to a 26 facility operated by an inter-track wagering licensee or 27 inter-track wagering location licensee that derives its 28 license from the organization licensee that operates the 29 first race track, those moneys shall be allocated as 30 follows:

31 (A) That portion of all moneys wagered on
32 standardbred racing that is required under this Act to
33 be paid to purses shall be paid to purses for
34 standardbred races.

35 (B) That portion of all moneys wagered on36 thoroughbred racing that is required under this Act to

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be paid to purses shall be paid to purses for thoroughbred races.

3 (11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes, and the costs and expenses 4 5 in connection with the gathering, transmission, and dissemination of all data necessary to the conduct of 6 inter-track wagering, the remainder of the monies retained 7 under either Section 26 or Section 26.2 of this Act by the 8 9 inter-track wagering licensee on inter-track wagering 10 shall be allocated with 50% to be split between the 2 11 participating licensees and 50% to purses, except that an intertrack wagering licensee that derives its license from 12 a track located in a county with a population in excess of 13 230,000 and that borders the Mississippi River shall not 14 retention with the 15 divide any remaining Illinois 16 organization licensee that provides the race or races, and 17 an intertrack wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a 18 race meet in a county with a population in excess of 19 230,000 and that borders the Mississippi River shall not 20 divide any remaining retention with that organization 21 licensee. 22

23 (B) From the sums permitted to be retained pursuant to this Act each inter-track wagering location licensee shall 24 25 pay (i) the privilege or pari-mutuel tax to the State; (ii) 4.75% of the pari-mutuel handle on intertrack wagering at 26 27 such location on races as purses, except that an intertrack 28 wagering location licensee that derives its license from a track located in a county with a population in excess of 29 30 230,000 and that borders the Mississippi River shall retain 31 all purse moneys for its own purse account consistent with 32 distribution set forth in this subsection (h), and intertrack wagering location licensees that accept wagers 33 on races conducted by an organization licensee located in a 34 county with a population in excess of 230,000 and that 35 borders the Mississippi River shall distribute all purse 36

1 moneys to purses at the operating host track; (iii) until 2 January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, 1% of the pari-mutuel handle 3 wagered on inter-track wagering and simulcast wagering at 4 5 each inter-track wagering location licensee facility to 6 the Horse Racing Tax Allocation Fund, provided that, to the extent the total amount collected and distributed to the 7 Horse Racing Tax Allocation Fund under this subsection (h) 8 9 during any calendar year exceeds the amount collected and 10 distributed to the Horse Racing Tax Allocation Fund during 11 calendar year 1994, that excess amount shall be 12 redistributed (I) to all inter-track wagering location licensees, based on each licensee's pro-rata share of the 13 total handle from inter-track wagering and simulcast 14 wagering for all inter-track wagering location licensees 15 16 during the calendar year in which this provision is 17 applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in 18 subpart (I) shall be further redistributed as provided in 19 20 subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 provided first, that the shares of those 21 amounts, which are to be redistributed to the host track or 22 23 to purses at the host track under subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 shall be 24 25 redistributed based on each host track's pro rata share of 26 the total inter-track wagering and simulcast wagering 27 handle at all host tracks during the calendar year in 28 question, and second, that any amounts redistributed as 29 described in part (I) to an inter-track wagering location 30 licensee that accepts wagers on races conducted by an 31 organization licensee that conducts a race meet in a county 32 with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed 33 as provided in subparagraphs (D) and (E) of paragraph (7) of 34 subsection (g) of this Section 26, with the portion of that 35 further redistribution allocated to purses 36 at that

1 organization licensee to be divided between standardbred 2 purses and thoroughbred purses based on the amounts 3 otherwise allocated to purses at that organization licensee during the calendar year in question; and (iv) 8% 4 5 of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of 6 conducting its wagering. The remainder of the monies 7 retained by the inter-track wagering location licensee 8 9 shall be allocated 40% to the location licensee and 60% to 10 the organization licensee which provides the Illinois 11 races to the location, except that an intertrack wagering location licensee that derives its license from a track 12 located in a county with a population in excess of 230,000 13 and that borders the Mississippi River shall not divide any 14 remaining retention with the organization licensee that 15 16 provides the race or races and an intertrack wagering 17 location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a 18 county with a population in excess of 230,000 and that 19 20 borders the Mississippi River shall not divide any 21 remaining retention with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of 22 23 this paragraph, in the case of the additional inter-track wagering location licenses authorized under paragraph (1) 24 25 of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: 26 27 during the first 12 months the licensee is in operation, 28 5.25% of the pari-mutuel handle wagered at the location on races; during the second 12 months, 5.25%; during the third 29 30 12 months, 5.75%; during the fourth 12 months, 6.25%; and 31 during the fifth 12 months and thereafter, 6.75%. The 32 following amounts shall be retained by the licensee to satisfy all costs and expenses of conducting its wagering: 33 during the first 12 months the licensee is in operation, 34 8.25% of the pari-mutuel handle wagered at the location; 35 during the second 12 months, 8.25%; during the third 12 36

1 months, 7.75%; during the fourth 12 months, 7.25%; and 2 during the fifth 12 months and thereafter, 6.75%. For 3 additional intertrack wagering location licensees authorized under this amendatory Act of 1995, purses for 4 5 the first 12 months the licensee is in operation shall be 6 5.75% of the pari-mutuel wagered at the location, purses for the second 12 months the licensee is in operation shall 7 be 6.25%, and purses thereafter shall be 6.75%. For 8 9 additional intertrack location licensees authorized under this amendatory Act of 1995, the licensee shall be allowed 10 11 to retain to satisfy all costs and expenses: 7.75% of the 12 pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its second 12 months 13 of operation, and 6.75% thereafter. 14

(C) There is hereby created the Horse Racing Tax 15 16 Allocation Fund which shall remain in existence until 17 December 31, 1999. Moneys remaining in the Fund after December 31, 1999 shall be paid into the General Revenue 18 Fund. Until January 1, 2000, all monies paid into the Horse 19 20 Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park 21 districts of 500,000 population or less, or in 22 a municipality that is not included within any park district 23 but is included within a conservation district and is the 24 25 county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 26 27 according to the United States Bureau of the Census, and on 28 operating May 1, 1994 shall be allocated by appropriation as follows: 29

30 Two-sevenths to the Department of Agriculture. 31 Fifty percent of this two-sevenths shall be used to 32 promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of 33 Agriculture upon the advice of a 9-member committee 34 appointed by the Governor consisting of the following 35 members: the Director of Agriculture, who shall serve 36

1 2 representatives of organization as chairman; 2 licensees conducting thoroughbred race meetings in 3 State, recommended by those licensees; 2 this representatives of organization licensees conducting 4 5 standardbred race meetings in this State, recommended 6 by those licensees; a representative of the Illinois 7 Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of 8 Owners 9 the Illinois Standardbred and Breeders 10 Association, recommended by that Association; а 11 representative of the Horsemen's Benevolent and 12 Protective Association or any successor organization 13 thereto established in Illinois comprised of the 14 largest number of owners and trainers, recommended by that Association or that successor organization; and a 15 16 representative of the Illinois Harness Horsemen's 17 Association, recommended by that Association. Committee members shall serve for terms of 2 years, 18 19 commencing January 1 of each even-numbered year. If a 20 representative of any of the above-named entities has not been recommended by January 1 of any even-numbered 21 year, the Governor shall appoint a committee member to 22 23 fill that position. Committee members shall receive no compensation for their services as members but shall be 24 25 reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their 26 27 official duties. The remaining 50% of this 28 two-sevenths shall be distributed to county fairs for 29 premiums and rehabilitation as set forth in the 30 Agricultural Fair Act;

Four-sevenths to park districts or municipalities that do not have a park district of 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located in such a park district) or to conservation districts for museum purposes (if an inter-track wagering location licensee is located in a

1 municipality that is not included within any park 2 but is included within a conservation district 3 district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 4 5 population of 88,257 according to the United States Bureau of the Census, except that if the conservation 6 district does not maintain a museum, the monies shall 7 be allocated equally between the county and the 8 9 municipality in which the inter-track wagering 10 location licensee is located for general purposes) or 11 to a municipal recreation board for park purposes (if 12 an inter-track wagering location licensee is located in a municipality that is not included within any park 13 district and park maintenance is the function of the 14 municipal recreation board and the municipality has a 15 16 1990 population of 9,302 according to the United States 17 Bureau of the Census); provided that the monies are distributed to each park district or conservation 18 district or municipality that does not have a park 19 20 district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location 21 licensee within the park district or conservation 22 23 district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before 24 25 the effective date of this amendatory Act of 1991 by an 26 inter-track wagering location licensee located in a 27 municipality that is not included within any park 28 district but is included within a conservation district as provided in this paragraph shall, as soon 29 30 as practicable after the effective date of this 31 amendatory Act of 1991, be allocated and paid to that 32 conservation district as provided in this paragraph. Any park district or municipality not maintaining a 33 museum may deposit the monies in the corporate fund of 34 municipality where 35 park district or the the 36 inter-track wagering location is located, to be used

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for general purposes; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967.

Until January 1, 2000, all other monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) shall be allocated by appropriation as follows:

12 Two-sevenths to the Department of Agriculture. 13 Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding 14 industry, and shall be distributed by the Department of 15 16 Agriculture upon the advice of a 9-member committee 17 appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve 18 19 chairman; 2 representatives of as organization 20 licensees conducting thoroughbred race meetings in by those 2 21 this State, recommended licensees; 22 representatives of organization licensees conducting 23 standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois 24 25 Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of 26 27 the Illinois Standardbred Owners and Breeders 28 Association, recommended by that Association; a representative of the Horsemen's Benevolent 29 and 30 Protective Association or any successor organization 31 thereto established in Illinois comprised of the 32 largest number of owners and trainers, recommended by that Association or that successor organization; and a 33 34 representative of the Illinois Harness Horsemen's 35 Association, recommended by that Association. Committee members shall serve for terms of 2 years, 36

1 commencing January 1 of each even-numbered year. If a 2 representative of any of the above-named entities has 3 not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to 4 5 fill that position. Committee members shall receive no compensation for their services as members but shall be 6 reimbursed for all actual and necessary expenses and 7 disbursements incurred in the performance of their 8 official duties. 50% 9 The remaining of this 10 two-sevenths shall be distributed to county fairs for 11 premiums and rehabilitation as set forth in the 12 Agricultural Fair Act;

Four-sevenths to museums and aquariums located in park districts of over 500,000 population; provided that the monies are distributed in accordance with the previous year's distribution of the maintenance tax for such museums and aquariums as provided in Section 2 of the Park District Aquarium and Museum Act; and

19 One-seventh to the Agricultural Premium Fund to be 20 used for distribution to agricultural home economics extension councils in accordance with "An Act in 21 relation to additional support and finances for the 22 Agricultural and Home Economic Extension Councils in 23 the several counties of this State and making an 24 appropriation therefor", approved July 24, 1967. This 25 26 subparagraph (C) shall be inoperative and of no force 27 and effect on and after January 1, 2000.

28 (D) Except as provided in paragraph (11) of this 29 subsection (h), with respect to purse allocation from 30 intertrack wagering, the monies so retained shall be 31 divided as follows:

(i) If the inter-track wagering licensee,
except an intertrack wagering licensee that
derives its license from an organization licensee
located in a county with a population in excess of
230,000 and bounded by the Mississippi River, is

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not conducting its own race meeting during the same dates, then the entire purse allocation shall be to purses at the track where the races wagered on are being conducted.

5 (ii) If the inter-track wagering licensee, except intertrack wagering licensee 6 an that derives its license from an organization licensee 7 located in a county with a population in excess of 8 9 230,000 and bounded by the Mississippi River, is 10 also conducting its own race meeting during the 11 same dates, then the purse allocation shall be as 12 follows: 50% to purses at the track where the races 13 wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee 14 is accepting such wagers. 15

16 (iii) If the inter-track wagering is being 17 conducted by an inter-track wagering location licensee, except an intertrack wagering location 18 19 licensee that derives its license from an organization licensee located in a county with a 20 population in excess of 230,000 and bounded by the 21 Mississippi River, the entire purse allocation for 22 23 Illinois races shall be to purses at the track where the race meeting being wagered on is being 24 25 held.

(12) The Board shall have all powers necessary and
proper to fully supervise and control the conduct of
inter-track wagering and simulcast wagering by inter-track
wagering licensees and inter-track wagering location
licensees, including, but not limited to the following:

(A) The Board is vested with power to promulgate
reasonable rules and regulations for the purpose of
administering the conduct of this wagering and to
prescribe reasonable rules, regulations and conditions
under which such wagering shall be held and conducted.
Such rules and regulations are to provide for the

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prevention of practices detrimental to the public interest and for the best interests of said wagering and to impose penalties for violations thereof.

(B) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities of any licensee to determine whether there has been compliance with the provisions of this Act and the rules and regulations relating to the conduct of such wagering.

10 (C) The Board, and any person or persons to whom it 11 delegates this power, may eject or exclude from any 12 licensee's facilities, any person whose conduct or reputation is such that his presence on such premises 13 may, in the opinion of the Board, call into the 14 question the honesty and integrity of, or interfere 15 16 with the orderly conduct of such wagering; provided, 17 however, that no person shall be excluded or ejected from such premises solely on the grounds of race, 18 19 color, creed, national origin, ancestry, or sex.

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(D) (Blank).

(E) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this wagering and any rules and regulations promulgated in accordance with this Act.

26 (F) The Board shall name and appoint a State 27 director of this wagering who shall be a representative 28 of the Board and whose duty it shall be to supervise 29 the conduct of inter-track wagering as may be provided 30 for by the rules and regulations of the Board; such 31 rules and regulation shall specify the method of 32 appointment and the Director's powers, authority and duties. 33

34 (G) The Board is vested with the power to impose
 35 civil penalties of up to \$5,000 against individuals and
 36 up to \$10,000 against licensees for each violation of

any provision of this Act relating to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other action which in the Board's discretion, is a detriment or impediment to such wagering.

The Department of Agriculture may enter into 6 (13)agreements with licensees authorizing such licensees to 7 conduct inter-track wagering on races to be held at the 8 9 licensed race meetings conducted by the Department of 10 Agriculture. Such agreement shall specify the races of the 11 Department of Agriculture's licensed race meeting upon 12 which the licensees will conduct wagering. In the event 13 that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair 14 which are in addition to the licensee's previously approved 15 16 racing program, those races shall be considered a separate 17 racing day for the purpose of determining the daily handle and computing the privilege or pari-mutuel tax on that 18 daily handle as provided in Sections 27 and 27.1. Such 19 20 agreements shall be approved by the Board before such wagering may be conducted. In determining whether to grant 21 approval, the Board shall give due consideration to the 22 best interests of the public and of horse racing. The 23 provisions of paragraphs (1), (8), (8.1), and (8.2) of 24 25 subsection (h) of this Section which are not specified in 26 this paragraph (13) shall not apply to licensed race 27 meetings conducted by the Department of Agriculture at the 28 Illinois State Fair in Sangamon County or the DuQuoin State 29 Fair in Perry County, or to any wagering conducted on those 30 race meetings.

31 (i) Notwithstanding the other provisions of this Act, the 32 conduct of wagering at wagering facilities is authorized on all 33 days, except as limited by subsection (b) of Section 19 of this 34 Act.

35 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

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HB0665 - 29 - LRB094 06756 AMC 36858 b 1 Section 99. Effective date. This Act takes effect upon

2 becoming law.