## 98TH GENERAL ASSEMBLY

## State of Illinois

## 2013 and 2014

#### HB2431

by Rep. Jay Hoffman

### SYNOPSIS AS INTRODUCED:

230 ILCS 5/26

from Ch. 8, par. 37-26

Amends the Illinois Horse Racing Act of 1975. Makes a technical change in a Section concerning wagering.

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1 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)
- 7 Sec. 26. Wagering.

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

(b) No other method of betting, pool making, wagering orgambling 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.

5 (b-5) An individual may place a wager under the pari-mutuel 6 system from any licensed location authorized under this Act 7 provided that wager is electronically recorded in the manner 8 described in Section 3.12 of this Act. Any wager made 9 electronically by an individual while physically on the 10 premises of a licensee shall be deemed to have been made at the 11 premises of that licensee.

12 (c) Until January 1, 2000, the sum held by any licensee for 13 payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the 14 15 licensee for payment of such tickets until that date. Within 10 16 days thereafter, the balance of such sum remaining unclaimed, 17 less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any 18 pari-mutuel pool, shall be paid to the Illinois Veterans' 19 20 Rehabilitation Fund of the State treasury, except as provided in subsection (q) of Section 27 of this Act. 21

(c-5) Beginning January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum

remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee and the organization licensee.

6 (d) A pari-mutuel ticket shall be honored until December 31 7 of the next calendar year, and the licensee shall pay the same 8 and may charge the amount thereof against unpaid money 9 similarly accumulated on account of pari-mutuel tickets not 10 presented for payment.

11 (e) No licensee shall knowingly permit any minor, other 12 than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing 13 14 program unless accompanied by a parent or guardian, or any 15 minor to be a patron of the pari-mutuel system of wagering 16 conducted or supervised by it. The admission of any 17 unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a 18 race track is a Class C misdemeanor. 19

(f) Notwithstanding the other provisions of this Act, an organization licensee may contract with an entity in another state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers shall not be subject to State taxation. Until January 1, 2000,

when the out-of-State entity conducts a pari-mutuel pool 1 2 separate from the organization licensee, a privilege tax equal 3 to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such 4 5 contracts is imposed on the organization licensee, and such privilege tax shall be remitted to the Department of Revenue 6 within 48 hours of receipt of the moneys from the simulcast. 7 8 When the out-of-State entity conducts a combined pari-mutuel 9 pool with the organization licensee, the tax shall be 10% of 10 all monies received by the organization licensee with 25% of 11 the receipts from this 10% tax to be distributed to the county 12 in which the race was conducted.

13 An organization licensee may permit one or more of its 14 races to be utilized for pari-mutuel wagering at one or more 15 locations in other states and may transmit audio and visual 16 signals of races the organization licensee conducts to one or 17 more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined 18 19 with its gross or net wagering pools or with wagering pools 20 established by other states.

(g) A host track may accept interstate simulcast wagers on horse races conducted in other states or countries and shall control the number of signals and types of breeds of racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program only if it finds that the simulcast program is clearly adverse to the integrity

of racing. The host track simulcast program shall include the 1 2 signal of live racing of all organization licensees. All 3 non-host licensees and advance deposit wagering licensees shall carry the signal of and accept wagers on live racing of 4 5 all organization licensees. Advance deposit wagering licensees 6 shall not be permitted to accept out-of-state wagers on any Illinois signal provided pursuant to this Section without the 7 8 approval and consent of the organization licensee providing the 9 signal. Non-host licensees may carry the host track simulcast 10 program and shall accept wagers on all races included as part 11 of the simulcast program upon which wagering is permitted. All 12 organization licensees shall provide their live signal to all 13 advance deposit wagering licensees for a simulcast commission 14 fee not to exceed 6% of the advance deposit wagering licensee's 15 Illinois handle on the organization licensee's signal without 16 prior approval by the Board. The Board may adopt rules under 17 which it may permit simulcast commission fees in excess of 6%. The Board shall adopt rules limiting the interstate commission 18 19 fees charged to an advance deposit wagering licensee. The Board 20 shall adopt rules regarding advance deposit wagering on interstate simulcast races that shall reflect, among other 21 22 things, the General Assembly's desire to maximize revenues to 23 the State, horsemen purses, and organizational licensees. 24 However, organization licensees providing live signals 25 pursuant to the requirements of this subsection (q) may 26 petition the Board to withhold their live signals from an

advance deposit wagering licensee if the organization licensee 1 2 discovers and the Board finds reputable or credible information 3 that the advance deposit wagering licensee is under investigation by another state or federal governmental agency, 4 5 the advance deposit wagering licensee's license has been suspended in another state, or the advance deposit wagering 6 7 licensee's license is in revocation proceedings in another state. The organization licensee's provision of their live 8 9 signal to an advance deposit wagering licensee under this 10 subsection (q) pertains to wagers placed from within Illinois. 11 Advance deposit wagering licensees may place advance deposit 12 wagering terminals at wagering facilities as a convenience to 13 customers. The advance deposit wagering licensee shall not 14 charge or collect any fee from purses for the placement of the advance deposit wagering terminals. The costs and expenses of 15 16 the host track and non-host licensees associated with 17 interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all 18 non-host licensees incurring these costs. 19 The interstate commission fee shall not exceed 5% of Illinois handle on the 20 21 interstate simulcast race or races without prior approval of 22 the Board. The Board shall promulgate rules under which it may 23 permit interstate commission fees in excess of 58. The interstate commission fee and other fees charged by the sending 24 25 racetrack, including, but not limited to, satellite decoder 26 fees, shall be uniformly applied to the host track and all

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1 non-host licensees.

2 Notwithstanding any other provision of this Act, until January 1, 2013, an organization licensee may maintain a system 3 whereby advance deposit wagering may take place or 4 an 5 organization licensee, with the consent of the horsemen 6 association representing the largest number of owners, 7 trainers, jockeys, or standardbred drivers who race horses at 8 that organization licensee's racing meeting, may contract with 9 another person to carry out a system of advance deposit 10 wagering. Such consent may not be unreasonably withheld. All 11 advance deposit wagers placed from within Illinois must be 12 placed through a Board-approved advance deposit wagering 13 licensee; no other entity may accept an advance deposit wager from a person within Illinois. All advance deposit wagering is 14 15 subject to any rules adopted by the Board. The Board may adopt 16 rules necessary to regulate advance deposit wagering through 17 the use of emergency rulemaking in accordance with Section 5-45 of the Illinois Administrative Procedure Act. The General 18 Assembly finds that the adoption of rules to regulate advance 19 20 deposit wagering is deemed an emergency and necessary for the public interest, safety, and welfare. An advance deposit 21 22 wagering licensee may retain all moneys as agreed to by 23 contract with an organization licensee. Any moneys retained by the organization licensee from advance deposit wagering, not 24 25 including moneys retained by the advance deposit wagering licensee, shall be paid 50% to the organization licensee's 26

purse account and 50% to the organization licensee. If more 1 2 than one breed races at the same race track facility, then the 3 50% of the moneys to be paid to an organization licensee's purse account shall be allocated among all organization 4 5 licensees' purse accounts operating at that race track facility proportionately based on the actual number of host days that 6 the Board grants to that breed at that race track facility in 7 8 the current calendar year. To the extent any fees from advance 9 deposit wagering conducted in Illinois for wagers in Illinois 10 or other states have been placed in escrow or otherwise 11 withheld from wagers pending a determination of the legality of 12 advance deposit wagering, no action shall be brought to declare 13 such wagers or the disbursement of any fees previously escrowed 14 illegal.

15 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an 16 intertrack wagering licensee other than the host track may 17 host track simulcast supplement the program with additional simulcast races or race programs, provided that 18 19 between January 1 and the third Friday in February of any 20 live thoroughbred racing is year, inclusive, if no this 21 occurring in Illinois during period, only 22 thoroughbred races may be used for supplemental interstate 23 simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the 24 25 simulcast is clearly adverse to the integrity of racing. A 26 supplemental interstate simulcast may be transmitted from

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an intertrack wagering licensee to its affiliated non-host licensees. The interstate commission fee for a supplemental interstate simulcast shall be paid by the non-host licensee and its affiliated non-host licensees receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an 6 7 intertrack wagering licensee other than the host track may 8 receive supplemental interstate simulcasts only with the 9 consent of the host track, except when the Board finds that 10 the simulcast is clearly adverse to the integrity of 11 racing. Consent granted under this paragraph (2) to any 12 intertrack wagering licensee shall be deemed consent to all non-host licensees. The interstate commission fee for the 13 14 supplemental interstate simulcast shall be paid by all participating non-host licensees. 15

16 (3) Each licensee conducting interstate simulcast 17 wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 18 19 17% of all money wagered. If any licensee conducts the 20 pari-mutuel system wagering on races conducted at. racetracks in another state or country, each such race or 21 22 race program shall be considered a separate racing day for 23 the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in 24 25 subsection (a) of Section 27. Until January 1, 2000, from 26 the sums permitted to be retained pursuant to this

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subsection, each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.

6 (4) A licensee who receives an interstate simulcast may 7 combine its gross or net pools with pools at the sending 8 racetracks pursuant to rules established by the Board. All 9 licensees combining their gross pools at a sending 10 racetrack shall adopt the take-out percentages of the 11 sending racetrack. A licensee may also establish a separate 12 pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. 13 14 The licensee may permit pari-mutuel wagers placed in other 15 states or countries to be combined with its gross or net 16 wagering pools or other wagering pools.

17 (5) After the payment of the interstate commission fee (except for the interstate commission fee on a supplemental 18 19 interstate simulcast, which shall be paid by the host track 20 and by each non-host licensee through the host-track) and 21 all applicable State and local taxes, except as provided in 22 subsection (q) of Section 27 of this Act, the remainder of 23 moneys retained from simulcast wagering pursuant to this 24 subsection (g), and Section 26.2 shall be divided as 25 follows:

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(A) For interstate simulcast wagers made at a host

1 track, 50% to the host track and 50% to purses at the 2 host track.

3 For wagers placed on interstate simulcast (B) simulcasts 4 races, supplemental as defined in 5 subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a 6 non-host licensee, 25% to the host track, 25% to the 7 non-host licensee, and 50% to the purses at the host 8 9 track.

10 (6) Notwithstanding any provision in this Act to the 11 contrary, non-host licensees who derive their licenses 12 from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River 13 14 may receive supplemental interstate simulcast races at all 15 times subject to Board approval, which shall be withheld 16 only upon a finding that a supplemental interstate 17 simulcast is clearly adverse to the integrity of racing.

(7) Notwithstanding any provision of this Act to the 18 19 contrary, after payment of all applicable State and local 20 taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county 21 22 with a population in excess of 230,000 and that borders the 23 Mississippi River shall retain 50% of the retention from 24 interstate simulcast wagers and shall pay 50% to purses at 25 the track from which the non-host licensee derives its license as follows: 26

1 (A) Between January 1 and the third Friday in 2 February, inclusive, if no live thoroughbred racing is 3 occurring in Illinois during this period, when the 4 interstate simulcast is a standardbred race, the purse 5 share to its standardbred purse account;

6 (B) Between January 1 and the third Friday in 7 February, inclusive, if no live thoroughbred racing is 8 occurring in Illinois during this period, and the 9 interstate simulcast is a thoroughbred race, the purse 10 share to its interstate simulcast purse pool to be 11 distributed under paragraph (10) of this subsection 12 (g);

(C) Between January 1 and the third Friday in 13 14 February, inclusive, if live thoroughbred racing is 15 occurring in Illinois, between 6:30 a.m. and 6:30 p.m. 16 the purse share from wagers made during this time period to its thoroughbred purse account and between 17 6:30 p.m. and 6:30 a.m. the purse share from wagers 18 19 made during this time period to its standardbred purse 20 accounts;

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

(E) Between the third Saturday in February and
 December 31, when the interstate simulcast occurs

1 2 between the hours of 6:30 p.m. and 6:30 a.m., the purse share to its standardbred purse account.

3 (7.1) Notwithstanding any other provision of this Act to the contrary, if no standardbred racing is conducted at 4 5 a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys 6 7 derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and 8 9 (2) are generated between the hours of 6:30 p.m. and 6:30 10 a.m. during that calendar year shall be paid as follows:

(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

16 (B) Twenty percent shall be deposited into the 17 Illinois Colt Stakes Purse Distribution Fund and shall be paid to purses for standardbred races for Illinois 18 19 conceived and foaled horses conducted at any county 20 fairgrounds. The moneys deposited into the Fund 21 pursuant to this subparagraph (B) shall be deposited 22 within 2 weeks after the day they were generated, shall 23 be in addition to and not in lieu of any other moneys 24 paid to standardbred purses under this Act, and shall 25 not be commingled with other moneys paid into that 26 Fund. The moneys deposited pursuant to this

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subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board.

5 (7.2) Notwithstanding any other provision of this Act 6 to the contrary, if no thoroughbred racing is conducted at 7 a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys 8 9 derived by that racetrack from simulcast wagering and 10 inter-track wagering that (1) are to be used for purses and 11 (2) are generated between the hours of 6:30 a.m. and 6:3012 p.m. during that calendar year shall be deposited as 13 follows:

14 (A) If the licensee that conducts horse racing at
15 that racetrack requests from the Board at least as many
16 racing dates as were conducted in calendar year 2000,
17 80% shall be deposited into its standardbred purse
18 account; and

19 (B) Twenty percent shall be deposited into the 20 Illinois Colt Stakes Purse Distribution Fund. Moneys Illinois 21 deposited into the Colt Stakes Purse 22 Distribution Fund pursuant to this subparagraph (B) 23 paid to Illinois conceived and shall be foaled 24 thoroughbred breeders' programs and to thoroughbred 25 purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at 26 the

discretion of the Department of Agriculture, with the 1 advice and assistance of the Illinois Thoroughbred 2 3 Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse Distribution Fund 4 5 pursuant to this subparagraph (B) shall be deposited 6 within 2 weeks after the day they were generated, shall 7 be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall 8 9 not be commingled with other moneys deposited into that 10 Fund.

11 (7.3) If no live standardbred racing is conducted at a 12 racetrack located in Madison County in calendar year 2000 2001, an organization licensee who is licensed to 13 or 14 conduct horse racing at that racetrack shall, before 15 January 1, 2002, pay all moneys derived from simulcast 16 wagering and inter-track wagering in calendar years 2000 17 and 2001 and paid into the licensee's standardbred purse account as follows: 18

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

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

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

2 Illinois Colt Stakes Purse Moneys paid into the 3 Distribution Fund pursuant to this paragraph (7.3) shall be paid to purses for standardbred races for 4 Illinois 5 conceived and foaled horses conducted at any county 6 fairgrounds. Moneys paid into the Illinois Colt Stakes 7 Purse Distribution Fund pursuant to this paragraph (7.3) 8 be as determined by the shall used Department of 9 Agriculture, with the advice and assistance of the Illinois 10 Standardbred Breeders Fund Advisory Board, shall be in 11 addition to and not in lieu of any other moneys paid to 12 standardbred purses under this Act, and shall not be 13 commingled with any other moneys paid into that Fund.

14 (7.4) If live standardbred racing is conducted at a 15 racetrack located in Madison County at any time in calendar 16 year 2001 before the payment required under paragraph (7.3) 17 has been made, the organization licensee who is licensed to conduct racing at that racetrack shall pay all moneys 18 19 derived by that racetrack from simulcast wagering and 20 inter-track wagering during calendar years 2000 and 2001 21 that (1) are to be used for purses and (2) are generated 22 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 23 2001 to the standardbred purse account at that racetrack to 24 be used for standardbred purses.

(8) Notwithstanding any provision in this Act to the
 contrary, an organization licensee from a track located in

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.

6 (8.1) Notwithstanding any provisions in this Act to the 7 contrary, if 2 organization licensees are conducting 8 standardbred race meetings concurrently between the hours 9 of 6:30 p.m. and 6:30 a.m., after payment of all applicable 10 State and local taxes and interstate commission fees, the 11 remainder of the amount retained from simulcast wagering 12 otherwise attributable to the host track and to host track 13 purses shall be split daily between the 2 organization 14 licensees and the purses at the tracks of the 2 15 organization licensees, respectively, based on each 16 organization licensee's share of the total live handle for 17 that day, provided that this provision shall not apply to any non-host licensee that derives its license from a track 18 19 located in a county with a population in excess of 230,000 20 and that borders the Mississippi River.

- 21 (9) (Blank).
- 22 (10) (Blank).
- 23 (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

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and include all such races as part of their simulcast programs.

(13) Notwithstanding any other provision of this Act, 3 in the event that the total Illinois pari-mutuel handle on 4 5 Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois 6 pari-mutuel handle on Illinois horse races at all such 7 8 wagering facilities for calendar year 1994, then each 9 wagering facility that has an annual total Illinois 10 pari-mutuel handle on Illinois horse races that is less 11 than 75% of the total Illinois pari-mutuel handle on 12 Illinois horse races at such wagering facility for calendar 13 year 1994, shall be permitted to receive, from any amount 14 otherwise payable to the purse account at the race track 15 with which the wagering facility is affiliated in the 16 succeeding calendar year, an amount equal to 2% of the 17 differential in total Illinois pari-mutuel handle on Illinois horse races at the wagering facility between that 18 19 calendar year in question and 1994 provided, however, that 20 a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the 21 22 wagering facility the amount to which the wagering facility 23 is entitled and a schedule for payment of the amount to the 24 wagering facility, based on: (i) the racing dates awarded 25 to the race track affiliated with the wagering facility 26 during the succeeding year; (ii) the sums available or

anticipated to be available in the purse account of the 1 2 race track affiliated with the wagering facility for purses 3 during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The 4 5 Board's certification shall be provided no later than 6 January 31 of the succeeding year. In the event a wagering 7 facility entitled to a payment under this paragraph (13) is 8 affiliated with a race track that maintains purse accounts 9 for both standardbred and thoroughbred racing, the amount 10 to be paid to the wagering facility shall be divided 11 between each purse account pro rata, based on the amount of 12 Illinois handle on Illinois standardbred and thoroughbred 13 racing respectively at the wagering facility during the 14 previous calendar year. Annually, the General Assembly 15 shall appropriate sufficient funds from the General 16 Revenue Fund to the Department of Agriculture for payment 17 into the thoroughbred and standardbred horse racing purse 18 accounts at Illinois pari-mutuel tracks. The amount paid to 19 each purse account shall be the amount certified by the 20 Illinois Racing Board in January to be transferred from 21 each account to each eligible racing facility in accordance 22 with the provisions of this Section.

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

1 (1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days of racing were conducted 2 3 during the immediately preceding calendar year or where over the 5 immediately preceding calendar years an average 4 5 of 30 or more days of racing were conducted annually may be 6 issued an inter-track wagering license; (ii) at a track 7 located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 8 9 according to the 1990 decennial census, and an average of 10 at least 60 days of racing per year between 1985 and 1993 11 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 12 100 days of live racing during the immediately preceding 13 14 calendar year may be issued an inter-track wagering 15 license, unless a lesser schedule of live racing is the 16 result of (A) weather, unsafe track conditions, or other 17 acts of God; (B) an agreement between the organization licensee and the associations representing the largest 18 19 number of owners, trainers, jockeys, or standardbred 20 drivers who race horses at that organization licensee's 21 racing meeting; or (C) a finding by the Board of 22 extraordinary circumstances and that it was in the best 23 interest of the public and the sport to conduct fewer than 24 100 days of live racing. Any such person having operating 25 control of the racing facility may also receive up to 6 26 inter-track wagering location licenses. In no event shall

more than 6 inter-track wagering locations be established 1 2 for each eligible race track, except that an eligible race 3 track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River 4 may establish up to 7 inter-track wagering locations. An 5 application for said license shall be filed with the Board 6 7 prior to such dates as may be fixed by the Board. With an 8 application for an inter-track wagering location license 9 there shall be delivered to the Board a certified check or 10 bank draft payable to the order of the Board for an amount 11 equal to \$500. The application shall be on forms prescribed 12 and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by 13 14 the Board in connection therewith.

15 (2)The Board shall examine the applications with 16 respect to their conformity with this Act and the rules and 17 regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the 18 19 Board, the Board may then issue a license to conduct 20 inter-track wagering and simulcast wagering to such 21 applicant. All such applications shall be acted upon by the 22 Board at a meeting to be held on such date as may be fixed by the Board. 23

(3) In granting licenses to conduct inter-track
 wagering and simulcast wagering, the Board shall give due
 consideration to the best interests of the public, of horse

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racing, and of maximizing revenue to the State.

2 (4) Prior to the issuance of a license to conduct 3 inter-track wagering and simulcast wagering, the applicant shall file with the Board a bond payable to the State of 4 5 Illinois in the sum of \$50,000, executed by the applicant 6 and a surety company or companies authorized to do business 7 in this State, and conditioned upon (i) the payment by the 8 licensee of all taxes due under Section 27 or 27.1 and any 9 other monies due and payable under this Act, and (ii) 10 distribution by the licensee, upon presentation of the 11 winning ticket or tickets, of all sums payable to the 12 patrons of pari-mutuel pools.

13 (5) Each license to conduct inter-track wagering and 14 simulcast wagering shall specify the person to whom it is 15 issued, the dates on which such wagering is permitted, and 16 the track or location where the wagering is to be 17 conducted.

(6) All wagering under such license is subject to this
Act and to the rules and regulations from time to time
prescribed by the Board, and every such license issued by
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.

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(8) Inter-track wagering or simulcast wagering shall

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not be conducted at any track less than 5 miles from a track at which a racing meeting is in progress.

3 Inter-track wagering location licensees (8.1)who derive their licenses from a particular organization 4 5 licensee shall conduct inter-track wagering and simulcast 6 wagering only at locations which are either within 90 miles 7 that race track where the particular organization of 8 licensee is licensed to conduct racing, or within 135 miles 9 of that race track where the particular organization 10 licensee is licensed to conduct racing in the case of race 11 tracks in counties of less than 400,000 that were operating 12 on or before June 1, 1986. However, inter-track wagering and simulcast wagering shall not be conducted by those 13 14 licensees at any location within 5 miles of any race track 15 at which a horse race meeting has been licensed in the 16 current year, unless the person having operating control of 17 such race track has given its written consent to such inter-track wagering location licensees, which consent 18 19 must be filed with the Board at or prior to the time 20 application is made.

(8.2) Inter-track wagering or simulcast wagering shall not be conducted by an inter-track wagering location licensee at any location within 500 feet of an existing church or existing school, nor within 500 feet of the residences of more than 50 registered voters without receiving written permission from a majority of the

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

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(9) (Blank).

(10)inter-track wagering licensee 4 An or an 5 inter-track wagering location licensee may retain, subject 6 to the payment of the privilege taxes and the purses, an 7 amount not to exceed 17% of all money wagered. Each program 8 of racing conducted by each inter-track wagering licensee 9 inter-track wagering location licensee or shall be 10 considered a separate racing day for the purpose of 11 determining the daily handle and computing the privilege 12 tax or pari-mutuel tax on such daily handle as provided in Section 27. 13

enacted after the Board licenses the original inter-track

wagering location licensee for the site in question.

14 (10.1) Except as provided in subsection (g) of Section 27 of this Act, inter-track wagering location licensees 15 16 shall pay 1% of the pari-mutuel handle at each location to 17 the municipality in which such location is situated and 1% of the pari-mutuel handle at each location to the county in 18 which such location is situated. In the event that an 19 20 inter-track wagering location licensee is situated in an 21 unincorporated area of a county, such licensee shall pay 2% 22 of the pari-mutuel handle from such location to such 23 county.

24 (10.2) Notwithstanding any other provision of this
25 Act, with respect to intertrack wagering at a race track
26 located in a county that has a population of more than

230,000 and that is bounded by the Mississippi River ("the 1 first race track"), or at a facility operated by an 2 3 inter-track wagering licensee or inter-track wagering location licensee that derives its license from 4 the 5 organization licensee that operates the first race track, on races conducted at the first race track or on races 6 7 at another Illinois race track conducted and 8 simultaneously televised to the first race track or to a 9 facility operated by an inter-track wagering licensee or 10 inter-track wagering location licensee that derives its 11 license from the organization licensee that operates the 12 first race track, those moneys shall be allocated as 13 follows:

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

(B) That portion of all moneys wagered on
thoroughbred racing that is required under this Act to
be paid to purses shall be paid to purses for
thoroughbred races.

(11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes, and the costs and expenses in connection with the gathering, transmission, and dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained

under either Section 26 or Section 26.2 of this Act by the 1 2 inter-track wagering licensee on inter-track wagering 3 shall be allocated with 50% to be split between the 2 participating licensees and 50% to purses, except that an 4 5 intertrack wagering licensee that derives its license from 6 a track located in a county with a population in excess of 7 230,000 and that borders the Mississippi River shall not 8 divide remaining retention with the any Illinois 9 organization licensee that provides the race or races, and 10 an intertrack wagering licensee that accepts wagers on 11 races conducted by an organization licensee that conducts a 12 race meet in a county with a population in excess of 13 230,000 and that borders the Mississippi River shall not 14 divide any remaining retention with that organization 15 licensee.

16 (B) From the sums permitted to be retained pursuant to 17 this Act each inter-track wagering location licensee shall 18 pay (i) the privilege or pari-mutuel tax to the State; (ii) 19 4.75% of the pari-mutuel handle on intertrack wagering at 20 such location on races as purses, except that an intertrack wagering location licensee that derives its license from a 21 22 track located in a county with a population in excess of 23 230,000 and that borders the Mississippi River shall retain 24 all purse moneys for its own purse account consistent with 25 distribution set forth in this subsection (h), and 26 intertrack wagering location licensees that accept wagers

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

paragraph (5) of subsection (q) of this Section 26 shall be 1 2 redistributed based on each host track's pro rata share of 3 inter-track wagering and simulcast wagering the total handle at all host tracks during the calendar year in 4 5 question, and second, that any amounts redistributed as 6 described in part (I) to an inter-track wagering location 7 licensee that accepts wagers on races conducted by an 8 organization licensee that conducts a race meet in a county 9 with a population in excess of 230,000 and that borders the 10 Mississippi River shall be further redistributed as 11 provided in subparagraphs (D) and (E) of paragraph (7) of 12 subsection (g) of this Section 26, with the portion of that 13 redistribution allocated to further purses at that 14 organization licensee to be divided between standardbred 15 purses and thoroughbred purses based on the amounts 16 otherwise allocated to purses at that organization 17 licensee during the calendar year in question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered 18 19 at such location to satisfy all costs and expenses of 20 conducting its wagering. The remainder of the monies 21 retained by the inter-track wagering location licensee 22 shall be allocated 40% to the location licensee and 60% to 23 the organization licensee which provides the Illinois 24 races to the location, except that an intertrack wagering 25 location licensee that derives its license from a track 26 located in a county with a population in excess of 230,000

1 and that borders the Mississippi River shall not divide any 2 remaining retention with the organization licensee that 3 provides the race or races and an intertrack wagering location licensee that accepts wagers on races conducted by 4 an organization licensee that conducts a race meet in a 5 county with a population in excess of 230,000 and that 6 7 borders the Mississippi River shall not divide any 8 remaining retention with the organization licensee. 9 Notwithstanding the provisions of clauses (ii) and (iv) of 10 this paragraph, in the case of the additional inter-track 11 wagering location licenses authorized under paragraph (1) 12 of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: 13 14 during the first 12 months the licensee is in operation, 15 5.25% of the pari-mutuel handle wagered at the location on 16 races; during the second 12 months, 5.25%; during the third 17 12 months, 5.75%; during the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The 18 19 following amounts shall be retained by the licensee to 20 satisfy all costs and expenses of conducting its wagering: 21 during the first 12 months the licensee is in operation, 22 8.25% of the pari-mutuel handle wagered at the location; 23 during the second 12 months, 8.25%; during the third 12 24 months, 7.75%; during the fourth 12 months, 7.25%; and 25 during the fifth 12 months and thereafter, 6.75%. For 26 additional intertrack wagering location licensees

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

12 There is hereby created the Horse Racing Tax (C) Allocation Fund which shall remain in existence until 13 14 December 31, 1999. Moneys remaining in the Fund after 15 December 31, 1999 shall be paid into the General Revenue 16 Fund. Until January 1, 2000, all monies paid into the Horse 17 Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park 18 19 districts of 500,000 population or less, or in а 20 municipality that is not included within any park district but is included within a conservation district and is the 21 22 county seat of a county that (i) is contiguous to the state 23 Indiana and (ii) has a 1990 population of 88,257 of 24 according to the United States Bureau of the Census, and 25 1, 1994 shall operating on May be allocated by 26 appropriation as follows:

Two-sevenths to the Department of Agriculture. 1 2 Fifty percent of this two-sevenths shall be used to 3 the Illinois horse racing and breeding promote industry, and shall be distributed by the Department of 4 5 Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following 6 7 members: the Director of Agriculture, who shall serve 8 chairman; 2 representatives of as organization 9 licensees conducting thoroughbred race meetings in 10 this State, recommended bv those licensees: 2 11 representatives of organization licensees conducting 12 standardbred race meetings in this State, recommended 13 by those licensees; a representative of the Illinois 14 Thoroughbred Breeders and Owners Foundation, 15 recommended by that Foundation; a representative of 16 the Illinois Standardbred Owners and Breeders 17 Association, recommended by that Association; a the Horsemen's Benevolent 18 representative of and 19 Protective Association or any successor organization 20 thereto established in Illinois comprised of the 21 largest number of owners and trainers, recommended by 22 that Association or that successor organization; and a 23 representative of the Illinois Harness Horsemen's 24 Association, recommended by that Association. 25 Committee members shall serve for terms of 2 years, 26 commencing January 1 of each even-numbered year. If a

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

12 Four-sevenths to park districts or municipalities 13 that do not have a park district of 500,000 population 14 or less for museum purposes (if an inter-track wagering 15 location licensee is located in such a park district) 16 or to conservation districts for museum purposes (if an 17 inter-track wagering location licensee is located in a municipality that is not included within any park 18 19 district but is included within a conservation 20 district and is the county seat of a county that (i) is 21 contiguous to the state of Indiana and (ii) has a 1990 22 population of 88,257 according to the United States 23 Bureau of the Census, except that if the conservation 24 district does not maintain a museum, the monies shall 25 be allocated equally between the county and the 26 municipality in which the inter-track wagering

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

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inter-track wagering location is located, to be used
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:

13 Two-sevenths to the Department of Agriculture. 14 Fifty percent of this two-sevenths shall be used to 15 promote the Illinois horse racing and breeding 16 industry, and shall be distributed by the Department of 17 Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following 18 19 members: the Director of Agriculture, who shall serve 20 organization as chairman; 2 representatives of 21 licensees conducting thoroughbred race meetings in 22 this recommended by those licensees; 2 State, 23 representatives of organization licensees conducting standardbred race meetings in this State, recommended 24 25 by those licensees; a representative of the Illinois 26 Thoroughbred Breeders and Owners Foundation,

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

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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

One-seventh to the Agricultural Premium Fund to be 4 5 used for distribution to agricultural home economics extension councils in accordance with "An Act in 6 7 relation to additional support and finances for the Agricultural and Home Economic Extension Councils in 8 9 the several counties of this State and making an 10 appropriation therefor", approved July 24, 1967. This 11 subparagraph (C) shall be inoperative and of no force 12 and effect on and after January 1, 2000.

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

17 If the inter-track wagering licensee, (i) 18 intertrack wagering licensee except an that 19 derives its license from an organization licensee 20 located in a county with a population in excess of 21 230,000 and bounded by the Mississippi River, is 22 not conducting its own race meeting during the same 23 dates, then the entire purse allocation shall be to 24 purses at the track where the races wagered on are 25 being conducted.

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(ii) If the inter-track wagering licensee,

1 intertrack wagering licensee except an that 2 derives its license from an organization licensee 3 located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is 4 5 also conducting its own race meeting during the same dates, then the purse allocation shall be as 6 7 follows: 50% to purses at the track where the races 8 wagered on are being conducted; 50% to purses at 9 the track where the inter-track wagering licensee 10 is accepting such wagers.

11 (iii) If the inter-track wagering is being 12 conducted by an inter-track wagering location 13 licensee, except an intertrack wagering location its license 14 licensee that derives from an 15 organization licensee located in a county with a 16 population in excess of 230,000 and bounded by the 17 Mississippi River, the entire purse allocation for Illinois races shall be to purses at the track 18 19 where the race meeting being wagered on is being 20 held.

(12) (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 1 reasonable rules and regulations for the purpose of 2 administering the conduct of this wagering and to 3 prescribe reasonable rules, regulations and conditions under which such wagering shall be held and conducted. 4 5 Such rules and regulations are to provide for the 6 prevention of practices detrimental to the public 7 interest and for the best interests of said wagering 8 and to impose penalties for violations thereof.

9 (B) The Board, and any person or persons to whom it 10 delegates this power, is vested with the power to enter 11 the facilities of any licensee to determine whether 12 there has been compliance with the provisions of this 13 Act and the rules and regulations relating to the 14 conduct of such wagering.

15 (C) The Board, and any person or persons to whom it 16 delegates this power, may eject or exclude from any 17 licensee's facilities, any person whose conduct or reputation is such that his presence on such premises 18 19 may, in the opinion of the Board, call into the 20 question the honesty and integrity of, or interfere 21 with the orderly conduct of such wagering; provided, 22 however, that no person shall be excluded or ejected 23 from such premises solely on the grounds of race, 24 color, creed, national origin, ancestry, or sex.

(D) (Blank).

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(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.

5 (F) The Board shall name and appoint a State director of this wagering who shall be a representative 6 7 of the Board and whose duty it shall be to supervise 8 the conduct of inter-track wagering as may be provided 9 for by the rules and regulations of the Board; such rules and regulation shall specify the method of 10 11 appointment and the Director's powers, authority and 12 duties.

13 (G) The Board is vested with the power to impose 14 civil penalties of up to \$5,000 against individuals and 15 up to \$10,000 against licensees for each violation of 16 any provision of this Act relating to the conduct of 17 this wagering, any rules adopted by the Board, any order of the Board or any other action which in the 18 19 Board's discretion, is a detriment or impediment to 20 such wagering.

(13) The Department of Agriculture may enter into agreements with licensees authorizing such licensees to conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of Agriculture. Such agreement shall specify the races of the Department of Agriculture's licensed race meeting upon

which the licensees will conduct wagering. In the event 1 2 that a licensee conducts inter-track pari-mutuel wagering 3 on races from the Illinois State Fair or DuQuoin State Fair which are in addition to the licensee's previously approved 4 5 racing program, those races shall be considered a separate 6 racing day for the purpose of determining the daily handle 7 and computing the privilege or pari-mutuel tax on that 8 daily handle as provided in Sections 27 and 27.1. Such 9 agreements shall be approved by the Board before such 10 wagering may be conducted. In determining whether to grant 11 approval, the Board shall give due consideration to the 12 best interests of the public and of horse racing. The provisions of paragraphs (1), (8), (8.1), and (8.2) of 13 14 subsection (h) of this Section which are not specified in 15 this paragraph (13) shall not apply to licensed race 16 meetings conducted by the Department of Agriculture at the 17 Illinois State Fair in Sangamon County or the DuQuoin State 18 Fair in Perry County, or to any wagering conducted on those 19 race meetings.

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

24 (Source: P.A. 96-762, eff. 8-25-09; 97-1060, eff. 8-24-12.)