



Sen. Terry Link

Filed: 5/20/2009

09600SB0744sam006

LRB096 06812 AMC 27241 a

1 AMENDMENT TO SENATE BILL 744

2 AMENDMENT NO. _____. Amend Senate Bill 744, AS AMENDED,
3 with reference to page and line numbers of Senate Amendment No.
4 5, on page 42, line 14, after "9,", by inserting "20,"; and

5 on page 42, line 15, by replacing "and 3.27" with "3.27, and
6 30.6"; and

7 on page 44, by replacing lines 15 and 16 with the following:

8 "slot machine gambling, video games of chance, and electronic
9 gambling games that are conducted at a race track licensed
10 under this Act pursuant to an electronic gaming license."; and

11 on page 57, immediately below line 4, by inserting the
12 following:

13 "(230 ILCS 5/20) (from Ch. 8, par. 37-20)

14 Sec. 20. (a) Any person desiring to conduct a horse race

1 meeting may apply to the Board for an organization license. The
2 application shall be made on a form prescribed and furnished by
3 the Board. The application shall specify:

4 (1) the dates on which it intends to conduct the horse
5 race meeting, which dates shall be provided under Section
6 21;

7 (2) the hours of each racing day between which it
8 intends to hold or conduct horse racing at such meeting;

9 (3) the location where it proposes to conduct the
10 meeting; and

11 (4) any other information the Board may reasonably
12 require.

13 (b) A separate application for an organization license
14 shall be filed for each horse race meeting which such person
15 proposes to hold. Any such application, if made by an
16 individual, or by any individual as trustee, shall be signed
17 and verified under oath by such individual. If made by
18 individuals or a partnership, it shall be signed and verified
19 under oath by at least 2 of such individuals or members of such
20 partnership as the case may be. If made by an association,
21 corporation, corporate trustee or any other entity, it shall be
22 signed by the president and attested by the secretary or
23 assistant secretary under the seal of such association, trust
24 or corporation if it has a seal, and shall also be verified
25 under oath by one of the signing officers.

26 (c) The application shall specify the name of the persons,

1 association, trust, or corporation making such application and
2 the post office address of the applicant; if the applicant is a
3 trustee, the names and addresses of the beneficiaries; if a
4 corporation, the names and post office addresses of all
5 officers, stockholders and directors; or if such stockholders
6 hold stock as a nominee or fiduciary, the names and post office
7 addresses of these persons, partnerships, corporations, or
8 trusts who are the beneficial owners thereof or who are
9 beneficially interested therein; and if a partnership, the
10 names and post office addresses of all partners, general or
11 limited; if the applicant is a corporation, the name of the
12 state of its incorporation shall be specified.

13 (d) The applicant shall execute and file with the Board a
14 good faith affirmative action plan to recruit, train, and
15 upgrade minorities in all classifications within the
16 association.

17 (e) With such application there shall be delivered to the
18 Board a certified check or bank draft payable to the order of
19 the Board for an amount equal to \$1,000. All applications for
20 the issuance of an organization license shall be filed with the
21 Board before August 1 of the year prior to the year for which
22 application is made and shall be acted upon by the Board at a
23 meeting to be held on such date as shall be fixed by the Board
24 during the last 15 days of September of such prior year. At
25 such meeting, the Board shall announce the award of the racing
26 meets, live racing schedule, and designation of host track to

1 the applicants and its approval or disapproval of each
2 application. No announcement shall be considered binding until
3 a formal order is executed by the Board, which shall be
4 executed no later than October 15 of that prior year. Absent
5 the agreement of the affected organization licensees, the Board
6 shall not grant overlapping race meetings to 2 or more tracks
7 that are within 100 miles of each other to conduct the
8 thoroughbred racing.

9 (e-1) In awarding standardbred racing dates for calendar
10 year 2010 and thereafter, the Board shall award at least 312
11 racing days. The Board shall have the discretion to allocate
12 those racing days among organization licensees. Once awarded by
13 the Board, organization licensees shall run at least 3,500
14 races annually. Should the organization licensee fail to race
15 all dates awarded by the Board, the organization licensees
16 shall pay to the standardbred purse account at that racing
17 facility an amount equal to the organization licensee's revenue
18 from electronic gaming for the day not raced. The Board may
19 waive the requirements of this subsection only if a lesser
20 schedule is appropriate due to (a) weather or unsafe tracks
21 conditions due to acts of God, (b) an agreement between the
22 organization licensee and the association representing
23 standardbred horsemen racing at the organization licensee's
24 race meeting, or (c) lack of sufficient numbers of horses to
25 conduct racing.

26 (e-5) In reviewing an application for the purpose of

1 granting an organization license consistent with the best
2 interests of the public and the sport of horse racing, the
3 Board shall consider:

4 (1) the character, reputation, experience, and
5 financial integrity of the applicant and of any other
6 separate person that either:

7 (i) controls the applicant, directly or
8 indirectly, or

9 (ii) is controlled, directly or indirectly, by
10 that applicant or by a person who controls, directly or
11 indirectly, that applicant;

12 (2) the applicant's facilities or proposed facilities
13 for conducting horse racing;

14 (3) the total revenue without regard to Section 32.1 to
15 be derived by the State and horsemen from the applicant's
16 conducting a race meeting;

17 (4) the applicant's good faith affirmative action plan
18 to recruit, train, and upgrade minorities in all employment
19 classifications;

20 (5) the applicant's financial ability to purchase and
21 maintain adequate liability and casualty insurance;

22 (6) the applicant's proposed and prior year's
23 promotional and marketing activities and expenditures of
24 the applicant associated with those activities;

25 (7) an agreement, if any, among organization licensees
26 as provided in subsection (b) of Section 21 of this Act;

1 and

2 (8) the extent to which the applicant exceeds or meets
3 other standards for the issuance of an organization license
4 that the Board shall adopt by rule.

5 In granting organization licenses and allocating dates for
6 horse race meetings, the Board shall have discretion to
7 determine an overall schedule, including required simulcasts
8 of Illinois races by host tracks that will, in its judgment, be
9 conducive to the best interests of the public and the sport of
10 horse racing.

11 (e-10) The Illinois Administrative Procedure Act shall
12 apply to administrative procedures of the Board under this Act
13 for the granting of an organization license, except that (1)
14 notwithstanding the provisions of subsection (b) of Section
15 10-40 of the Illinois Administrative Procedure Act regarding
16 cross-examination, the Board may prescribe rules limiting the
17 right of an applicant or participant in any proceeding to award
18 an organization license to conduct cross-examination of
19 witnesses at that proceeding where that cross-examination
20 would unduly obstruct the timely award of an organization
21 license under subsection (e) of Section 20 of this Act; (2) the
22 provisions of Section 10-45 of the Illinois Administrative
23 Procedure Act regarding proposals for decision are excluded
24 under this Act; (3) notwithstanding the provisions of
25 subsection (a) of Section 10-60 of the Illinois Administrative
26 Procedure Act regarding ex parte communications, the Board may

1 prescribe rules allowing ex parte communications with
2 applicants or participants in a proceeding to award an
3 organization license where conducting those communications
4 would be in the best interest of racing, provided all those
5 communications are made part of the record of that proceeding
6 pursuant to subsection (c) of Section 10-60 of the Illinois
7 Administrative Procedure Act; (4) the provisions of Section 14a
8 of this Act and the rules of the Board promulgated under that
9 Section shall apply instead of the provisions of Article 10 of
10 the Illinois Administrative Procedure Act regarding
11 administrative law judges; and (5) the provisions of subsection
12 (d) of Section 10-65 of the Illinois Administrative Procedure
13 Act that prevent summary suspension of a license pending
14 revocation or other action shall not apply.

15 (f) The Board may allot racing dates to an organization
16 licensee for more than one calendar year but for no more than 3
17 successive calendar years in advance, provided that the Board
18 shall review such allotment for more than one calendar year
19 prior to each year for which such allotment has been made. The
20 granting of an organization license to a person constitutes a
21 privilege to conduct a horse race meeting under the provisions
22 of this Act, and no person granted an organization license
23 shall be deemed to have a vested interest, property right, or
24 future expectation to receive an organization license in any
25 subsequent year as a result of the granting of an organization
26 license. Organization licenses shall be subject to revocation

1 if the organization licensee has violated any provision of this
2 Act or the rules and regulations promulgated under this Act or
3 has been convicted of a crime or has failed to disclose or has
4 stated falsely any information called for in the application
5 for an organization license. Any organization license
6 revocation proceeding shall be in accordance with Section 16
7 regarding suspension and revocation of occupation licenses.

8 (f-5) If, (i) an applicant does not file an acceptance of
9 the racing dates awarded by the Board as required under part
10 (1) of subsection (h) of this Section 20, or (ii) an
11 organization licensee has its license suspended or revoked
12 under this Act, the Board, upon conducting an emergency hearing
13 as provided for in this Act, may reaward on an emergency basis
14 pursuant to rules established by the Board, racing dates not
15 accepted or the racing dates associated with any suspension or
16 revocation period to one or more organization licensees, new
17 applicants, or any combination thereof, upon terms and
18 conditions that the Board determines are in the best interest
19 of racing, provided, the organization licensees or new
20 applicants receiving the awarded racing dates file an
21 acceptance of those reawarded racing dates as required under
22 paragraph (1) of subsection (h) of this Section 20 and comply
23 with the other provisions of this Act. The Illinois
24 Administrative Procedures Act shall not apply to the
25 administrative procedures of the Board in conducting the
26 emergency hearing and the reallocation of racing dates on an

1 emergency basis.

2 (g) (Blank).

3 (h) The Board shall send the applicant a copy of its
4 formally executed order by certified mail addressed to the
5 applicant at the address stated in his application, which
6 notice shall be mailed within 5 days of the date the formal
7 order is executed.

8 Each applicant notified shall, within 10 days after receipt
9 of the final executed order of the Board awarding racing dates:

10 (1) file with the Board an acceptance of such award in
11 the form prescribed by the Board;

12 (2) pay to the Board an additional amount equal to \$110
13 for each racing date awarded; and

14 (3) file with the Board the bonds required in Sections
15 21 and 25 at least 20 days prior to the first day of each
16 race meeting.

17 Upon compliance with the provisions of paragraphs (1), (2), and
18 (3) of this subsection (h), the applicant shall be issued an
19 organization license.

20 If any applicant fails to comply with this Section or fails
21 to pay the organization license fees herein provided, no
22 organization license shall be issued to such applicant.

23 (Source: P.A. 91-40, eff. 6-25-99.); and

24 by replacing line 22 on page 72 through line 8 on page 73 with
25 the following:

1 "with the provisions of this Section. For the calendar year
2 in which any organization licensee that is eligible to
3 receive payment under this paragraph (13) begins to receive
4 funds from electronic gaming, the amount of the payment due
5 to all organization licensees under this paragraph (13)
6 shall be reduced by a percentage equal to the percentage of
7 the year remaining after the earliest date that any
8 wagering facility begins conducting electronic gaming
9 pursuant to its electronic gaming license. No organization
10 licensees shall be able to receive payments under this
11 paragraph (13) beginning on the January 1 first occurring
12 after the earliest date that any organization licensee
13 begins receiving funds from electronic gaming pursuant to
14 Section 7.10 of the Illinois Gambling Act."; and

15 on page 97, immediately below line 16, by inserting the
16 following:

17 "(230 ILCS 5/30.6 new)
18 Sec. 30.6. Grants from Quarter Horse Purse Fund.
19 Thoroughbred organization licensees may petition the Board to
20 conduct quarter horse racing and receive purse grants from the
21 Quarter Horse Purse Fund. The Board shall have complete
22 discretion in distributing the Quarter Horse Purse Fund to the
23 petitioning organization licensees."; and

1 on page 109, line 2, by replacing "slot machines" with
2 "electronic gaming"; and

3 on page 121, immediately below line 10, by inserting the
4 following:

5 "Any action by the Board or staff of the Board, including,
6 but not limited to, denying a renewal, approving procedures
7 (including internal controls), levying a fine or penalty,
8 promotions, or other activities by an applicant for licensure
9 or a licensee, may at the discretion of the applicant or
10 licensee be appealed to an administrative law judge in
11 accordance with subsection (b) of Section 17.1.

12 Internal controls and changes submitted by licensees must
13 be reviewed and either approved or denied with cause within 60
14 days after receipt by the Illinois Gaming Board. In the event
15 an internal control submission or change does not meet the
16 standards set by the Board, staff of the Board must provide
17 technical assistance to the licensee to rectify such
18 deficiencies within 60 days after the initial submission and
19 the revised submission must be reviewed and approved or denied
20 with cause within 60 days. For the purposes of this paragraph,
21 "with cause" means that the approval of the submission would
22 jeopardize the integrity of gaming. In the event the Board
23 staff has not acted within the timeframe, the submission shall
24 be deemed approved."; and

1 on page 143, line 26, by replacing "at its licensed facility"
2 with "on a riverboat or in a casino and up to 50 electronic
3 poker positions at each electronic gaming facility"; and

4 on page 144, by replacing lines 7 through 10 with the
5 following:

6 "For the purposes of this subsection (1), "electronic
7 poker" means a form of gambling by which players can play
8 electronically via a network of machines at the same or any
9 other licensed facility in Illinois."; and

10 on page 154, line 1, by replacing "State" with "State Gaming
11 Fund"; and

12 on page 157, lines 23 and 24, by replacing "Horse Racing Equity
13 Fund" with "the Quarter Horse Purse Fund and the Horse Racing
14 Equity Trust Fund"; and

15 on page 158, by replacing lines 7 through 18 with the
16 following:

17 "the electronic gaming licensee from electronic gaming
18 operations shall be distributed as follows:

19 (1) \$250,000 in each calendar year shall be deposited
20 into the Quarter Horse Purse Fund, which is created as a
21 non-appropriated trust fund administered by the Illinois
22 Racing Board for grants to thoroughbred organization

1 licensees for payment of purses for quarter horse races
2 conducted by the organization licensee.

3 (2) The remainder shall be deposited into the Horse
4 Racing Equity Trust Fund.

5 If the sum of the amounts distributed under paragraphs (1)
6 and (2) of this Section does not equal \$50,000,000 in a
7 calendar year, then each electronic gaming licensee must pay
8 into the Horse Racing Equity Trust Fund a portion of the
9 difference between the total amount paid for that calendar year
10 and \$50,000,000, based upon each electronic gaming licensee's
11 adjusted gross receipts for that calendar year as compared to
12 total adjusted gross receipts from all electronic gaming
13 licensees for that calendar year.

14 If the percentage of adjusted gross receipts to be
15 deposited into the Horse Racing Equity Fund under subsection
16 (c-5) of Section 13 is reduced by law, then the percentage of
17 each licensee's remaining balance after payment of taxes under
18 Section 13 of this Act and operational costs incurred by the
19 electronic gaming licensee from electronic gaming operations
20 that shall be distributed to the Quarter Horse Purse Fund and
21 the Horse Racing Equity Trust Fund shall be increased to 40%.";
22 and

23 on page 171, line immediately below line 8, by inserting the
24 following:

25 "If the licensed owner of a riverboat in operation on

1 January 1, 2009 has capital projects of at least \$40,000,000
2 that are approved by the Board in calendar year 2006 and
3 thereafter or, starting in 2006 and going forward, for which at
4 least \$40,000,000 in capital expenditures have been made during
5 a period of 3 calendar years, then no admissions tax is imposed
6 on admissions to that riverboat for a 3-year period beginning
7 on (i) the January 1 after the approval or the expenditures
8 have been made or (ii) in the case of projects approved or
9 expenditures made before the effective date of this amendatory
10 Act of the 96th General Assembly, January 1, 2010."; and

11 by deleting line 26 on page 172 through line 10 on page 173.