

Sen. Terry Link

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LRB097 11985 AMC 70166 a

1 AMENDMENT TO HOUSE BILL 3779 2 AMENDMENT NO. . Amend House Bill 3779, AS AMENDED, by 3 replacing everything after the enacting clause with the 4 following: "Section 5. The Illinois Horse Racing Act of 1975 is 5 6 amended by changing Sections 9, 15.1, 18, 26, 27, and 28 and by 7 adding Section 26.7 as follows: (230 ILCS 5/9) (from Ch. 8, par. 37-9) 8 Sec. 9. The Board shall have all powers necessary and 9 10 proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following: 11 12 (a) The Board is vested with jurisdiction and supervision 13 over all race meetings in this State, over all licensees doing business in this State, over all occupation licensees, and over 14

the facilities of any licensee.

jurisdiction shall include the power to issue licenses to the

Section.

Illinois Department of Agriculture authorizing the pari-mutuel system of wagering on harness and Quarter Horse races held (1) at the Illinois State Fair in Sangamon County, and (2) at the DuQuoin State Fair in Perry County. The jurisdiction of the Board shall also include the power to issue licenses to county fairs which are eligible to receive funds pursuant to the Agricultural Fair Act, as now or hereafter amended, or their agents, authorizing the pari-mutuel system of wagering on horse races conducted at the county fairs receiving such licenses. Such licenses shall be governed by subsection (n) of this

Upon application, the Board shall issue a license to the Illinois Department of Agriculture to conduct harness and Quarter Horse races at the Illinois State Fair and at the DuQuoin State Fairgrounds during the scheduled dates of each fair. The Board shall not require and the Department of Agriculture shall be exempt from the requirements of Sections 15.3, 18 and 19, paragraphs (a) (2), (b), (c), (d), (e), (e-5), (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24 and 25. The Board and the Department of Agriculture may extend any or all of these exemptions to any contractor or agent engaged by the Department of Agriculture to conduct its race meetings when the Board determines that this would best serve the public interest and the interest of horse racing.

Notwithstanding any provision of law to the contrary, it shall be lawful for any licensee to operate pari-mutuel

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- wagering or contract with the Department of Agriculture to operate pari-mutuel wagering at the DuQuoin State Fairgrounds or for the Department to enter into contracts with a licensee, employ its owners, employees or agents and employ such other occupation licensees as the Department deems necessary in connection with race meetings and wagerings.
  - (b) The Board is vested with the full power to promulgate reasonable rules and regulations for the purpose of administering the provisions of this Act and to prescribe reasonable rules, regulations and conditions under which all horse race meetings or wagering in the State shall be conducted. Such reasonable rules and regulations are to provide for the prevention of practices detrimental to the public interest and to promote the best interests of horse racing and to impose penalties for violations thereof.
  - (c) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities and other places of business of any licensee to determine whether there has been compliance with the provisions of this Act and its rules and regulations.
  - (d) The Board, and any person or persons to whom it delegates this power, is vested with the authority to investigate alleged violations of the provisions of this Act, its reasonable rules and regulations, orders and final decisions; the Board shall take appropriate disciplinary action against any licensee or occupation licensee for

violation thereof or institute appropriate legal action for the enforcement thereof.

- (e) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any race meeting or the facilities of any licensee, or any part thereof, any occupation licensee or any other individual whose conduct or reputation is such that his presence on those facilities may, in the opinion of the Board, call into question the honesty and integrity of horse racing or wagering or interfere with the orderly conduct of horse racing or wagering; provided, however, that no person shall be excluded or ejected from the facilities of any licensee solely on the grounds of race, color, creed, national origin, ancestry, or sex. The power to eject or exclude an occupation licensee or other individual may be exercised for just cause by the licensee or the Board, subject to subsequent hearing by the Board as to the propriety of said exclusion.
- (f) The Board is vested with the power to acquire, establish, maintain and operate (or provide by contract to maintain and operate) testing laboratories and related facilities, for the purpose of conducting saliva, blood, urine and other tests on the horses run or to be run in any horse race meeting and to purchase all equipment and supplies deemed necessary or desirable in connection with any such testing laboratories and related facilities and all such tests.
- (g) The Board may require that the records, including

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financial or other statements of any licensee or any person affiliated with the licensee who is involved directly or indirectly in the activities of any licensee as regulated under this Act to the extent that those financial or other statements relate to such activities be kept in such manner as prescribed by the Board, and that Board employees shall have access to those records during reasonable business hours. Within 120 days of the end of its fiscal year, each licensee shall transmit to the Board an audit of the financial transactions and condition of the licensee's total operations. All audits shall be conducted by certified public accountants. Each certified public accountant must be registered in the State of Illinois under the Illinois Public Accounting Act. The compensation for each certified public accountant shall be paid directly by the licensee to the certified public accountant. A licensee shall also submit any other financial or related information the Board deems necessary to effectively administer this Act and all rules, regulations, and final decisions promulgated under this Act.

(h) The Board shall name and appoint in the manner provided by the rules and regulations of the Board: an Executive Director; a State director of mutuels; State veterinarians and representatives to take saliva, blood, urine and other tests on horses; licensing personnel; revenue inspectors; and State seasonal employees (excluding admission ticket sellers and mutuel clerks). All of those named and appointed as provided in

- 1 this subsection shall serve during the pleasure of the Board;
- 2 their compensation shall be determined by the Board and be paid
- 3 in the same manner as other employees of the Board under this
- 4 Act.
- 5 (i) The Board shall require that there shall be 3 stewards
- at each horse race meeting, at least 2 of whom shall be named
- 7 and appointed by the Board. Stewards appointed or approved by
- 8 the Board, while performing duties required by this Act or by
- 9 the Board, shall be entitled to the same rights and immunities
- 10 as granted to Board members and Board employees in Section 10
- of this Act.
- 12 (j) The Board may discharge any Board employee who fails or
- refuses for any reason to comply with the rules and regulations
- of the Board, or who, in the opinion of the Board, is quilty of
- 15 fraud, dishonesty or who is proven to be incompetent. The Board
- 16 shall have no right or power to determine who shall be
- officers, directors or employees of any licensee, or their
- salaries except the Board may, by rule, require that all or any
- 19 officials or employees in charge of or whose duties relate to
- the actual running of races be approved by the Board.
- 21 (k) The Board is vested with the power to appoint delegates
- 22 to execute any of the powers granted to it under this Section
- 23 for the purpose of administering this Act and any rules or
- 24 regulations promulgated in accordance with this Act.
- 25 (1) The Board is vested with the power to impose civil
- 26 penalties of up to \$5,000 against an individual and up to

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- \$10,000 against a licensee for each violation of any provision of this Act, 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 horse racing or wagering. All such civil penalties shall be deposited into the Horse Racing Fund.
  - (m) The Board is vested with the power to prescribe a form to be used by licensees as an application for employment for employees of each licensee.
  - (n) The Board shall have the power to issue a license to any county fair, or its agent, authorizing the conduct of the pari-mutuel system of wagering. The Board is vested with the full power to promulgate reasonable rules, regulations and conditions under which all horse race meetings licensed pursuant to this subsection shall be held and conducted, including rules, regulations and conditions for the conduct of the pari-mutuel system of wagering. The rules, regulations and conditions shall provide for the prevention of practices detrimental to the public interest and for the best interests of horse racing, and shall prescribe penalties for violations thereof. Any authority granted the Board under this Act shall extend to its jurisdiction and supervision over county fairs, or their agents, licensed pursuant to this subsection. However, the Board may waive any provision of this Act or its rules or regulations which would otherwise apply to such county fairs or their agents.
    - (o) Whenever the Board is authorized or required by law to

- 1 consider some aspect of criminal history record information for
- 2 the purpose of carrying out its statutory powers and
- 3 responsibilities, then, upon request and payment of fees in
- 4 conformance with the requirements of Section 2605-400 of the
- 5 Department of State Police Law (20 ILCS 2605/2605-400), the
- 6 Department of State Police is authorized to furnish, pursuant
- 7 to positive identification, such information contained in
- 8 State files as is necessary to fulfill the request.
- 9 (p) To insure the convenience, comfort, and wagering
- 10 accessibility of race track patrons, to provide for the
- 11 maximization of State revenue, and to generate increases in
- 12 purse allotments to the horsemen, the Board shall require any
- 13 licensee to staff the pari-mutuel department with adequate
- 14 personnel.
- 15 (Source: P.A. 91-239, eff. 1-1-00.)
- 16 (230 ILCS 5/15.1) (from Ch. 8, par. 37-15.1)
- 17 Sec. 15.1. Upon collection of the fee accompanying the
- 18 application for an occupation license, the Board shall be
- 19 authorized to make daily temporary deposits of the fees, for a
- 20 period not to exceed 7 days, with the horsemen's bookkeeper at
- a race meeting. The horsemen's bookkeeper shall issue a check,
- 22 payable to the order of the Illinois Racing Board, for monies
- 23 deposited under this Section within 24 hours of receipt of the
- 24 monies. Provided however, upon the issuance of the check by the
- 25 horsemen's bookkeeper the check shall be deposited <u>into the</u>

- 1 Horse Racing Fund in the State Treasury in accordance with the
- 2 provisions of the "State Officers and Employees Money
- 3 Disposition Act", approved June 9, 1911, as amended.
- 4 (Source: P.A. 84-432.)

- 5 (230 ILCS 5/18) (from Ch. 8, par. 37-18)
  - Sec. 18. (a) Together with its application, each applicant for racing dates shall deliver to the Board a certified check or bank draft payable to the order of the Board for \$1,000. In the event the applicant applies for racing dates in 2 or 3 successive calendar years as provided in subsection (b) of Section 21, the fee shall be \$2,000. Filing fees shall not be refunded in the event the application is denied. All filing fees shall be deposited into the Horse Racing Fund.
  - (b) In addition to the filing fee of \$1000 and the fees provided in subsection (j) of Section 20, each organization licensee shall pay a license fee of \$100 for each racing program on which its daily pari-mutuel handle is \$400,000 or more but less than \$700,000, and a license fee of \$200 for each racing program on which its daily pari-mutuel handle is \$700,000 or more. The additional fees required to be paid under this Section by this amendatory Act of 1982 shall be remitted by the organization licensee to the Illinois Racing Board with each day's graduated privilege tax or pari-mutuel tax and breakage as provided under Section 27.
    - (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois

- Municipal Code," approved May 29, 1961, as now or hereafter 1
- amended, shall not apply to any license under this Act. 2
- (Source: P.A. 91-40, eff. 6-25-99.) 3
- 4 (230 ILCS 5/26) (from Ch. 8, par. 37-26)
- 5 Sec. 26. Wagering.

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- (a) Any licensee may conduct and supervise the pari-mutuel 6 7 system of wagering, as defined in Section 3.12 of this Act, on horse races conducted by an Illinois organization licensee or 8 9 conducted at a racetrack located in another state or country 10 and televised in Illinois in accordance with subsection (q) of Section 26 of this Act. Subject to the prior consent of the 11 12 Board, licensees may supplement any pari-mutuel pool in order to guarantee a minimum distribution. Such pari-mutuel method of 13 14 wagering shall not, under any circumstances if conducted under 15 the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary 16 17 notwithstanding. Subject to rules for advance 18 promulgated by the Board, any licensee may accept wagers in 19 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 premises of a licensee shall be deemed to have been made at the premises of that licensee.
- (c) Until 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 paid to the Illinois Veterans' Rehabilitation Fund of the State treasury, except as provided in subsection (g) of Section 27 of this Act.
  - (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

- 1 and the organization licensee.
  - (d) A pari-mutuel ticket shall be honored until December 31 of the next calendar year, and the licensee shall pay the same and may charge the amount thereof against unpaid money similarly accumulated on account of pari-mutuel tickets not presented for payment.
    - (e) No licensee shall knowingly permit any minor, other than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor.
  - (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 separate from the organization licensee, a privilege tax equal to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such

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

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 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 signal of live racing of all organization licensees. All non-host licensees and advance deposit wagering licensees shall carry the signal of and accept wagers on live racing of

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all organization licensees. Advance deposit wagering licensees shall not be permitted to accept out-of-state wagers on any Illinois signal provided pursuant to this Section without the approval and consent of the organization licensee providing the signal. Non-host licensees may carry the host track simulcast program and shall accept wagers on all races included as part of the simulcast program upon which wagering is permitted. All organization licensees shall provide their live signal to all advance deposit wagering licensees for a simulcast commission fee not to exceed 6% of the advance deposit wagering licensee's Illinois handle on the organization licensee's signal without prior approval by the Board. The Board may adopt rules under which it may permit simulcast commission fees in excess of 6%. The Board shall adopt rules limiting the interstate commission fees charged to an advance deposit wagering licensee. The Board shall adopt rules regarding advance deposit wagering on interstate simulcast races that shall reflect, among other things, the General Assembly's desire to maximize revenues to the State, horsemen purses, and organizational licensees. However, organization licensees providing live signals pursuant to the requirements of this subsection (q) may petition the Board to withhold their live signals from an advance deposit wagering licensee if the organization licensee discovers and the Board finds reputable or credible information advance deposit wagering licensee is investigation by another state or federal governmental agency,

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the advance deposit wagering licensee's license has been suspended in another state, or the advance deposit wagering licensee's license is in revocation proceedings in another state. The organization licensee's provision of their live signal to an advance deposit wagering licensee under this subsection (q) pertains to wagers placed from within Illinois. Advance deposit wagering licensees may place advance deposit wagering terminals at wagering facilities as a convenience to customers. The advance deposit wagering licensee shall not charge or collect any fee from purses for the placement of the advance deposit wagering terminals. The costs and expenses of track and non-host licensees associated with the host interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the interstate simulcast race or races without prior approval of the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. interstate commission fee and other fees charged by the sending racetrack, including, but not limited to, satellite decoder fees, shall be uniformly applied to the host track and all non-host licensees. Notwithstanding any other provision of this Act, until May

1, 2013 for a period of 3 years after the effective

this amendatory Act of the 96th General Assembly,

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organization licensee may maintain a system whereby advance deposit wagering may take place or an organization licensee, with the consent of the horsemen association representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, may contract with another person to carry out a system deposit wagering. Such consent advance mav unreasonably withheld. All advance deposit wagers placed from within Illinois must be placed through a Board-approved advance deposit wagering licensee; no other entity may accept an advance deposit wager from a person within Illinois. All advance deposit wagering is subject to any rules adopted by the Board. The Board may adopt rules necessary to regulate advance deposit wagering through the use of emergency rulemaking in accordance with Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that the adoption of rules to regulate advance deposit wagering is deemed an emergency and necessary for the public interest, safety, and welfare. An advance deposit wagering licensee may retain all moneys as agreed to by contract with an organization licensee. Any moneys retained by the organization licensee from advance deposit wagering, not including moneys retained by the advance wagering licensee, shall be paid 50% to the organization licensee's purse account 50% and to the organization licensee. If more than one breed races at the same race track facility, then the 50% of the moneys to be paid to

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an organization licensee's purse account shall be allocated among all organization licensees' purse accounts operating at that race track facility proportionately based on the actual number of host days that the Board grants to that breed at that race track facility in the current calendar year. To the extent any fees from advance deposit wagering conducted in Illinois for wagers in Illinois or other states have been placed in otherwise withheld from wagers pending determination of the legality of advance deposit wagering, no action shall be brought to declare such wagers or the disbursement of any fees previously escrowed illegal.

(1) Between the hours of 6:30 a.m. and 6:30 p.m. an intertrack wagering licensee other than the host track may supplement the host track simulcast program additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any inclusive, if vear, no live thoroughbred racing is in Illinois during this period, only occurring thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from an intertrack wagering licensee to its affiliated non-host licensees. The interstate commission fee supplemental interstate simulcast shall be paid by the

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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 intertrack wagering licensee other than the host track may receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that the simulcast is clearly adverse to the integrity of racing. Consent granted under this paragraph (2) to any intertrack wagering licensee shall be deemed consent to all non-host licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all participating non-host licensees.
- Each licensee conducting interstate simulcast wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 17% of all money wagered. If any licensee conducts the pari-mutuel system wagering on races conducted racetracks in another state or country, each such race or race program shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in subsection (a) of Section 27. Until January 1, 2000, from sums permitted to be retained pursuant to this 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

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to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.

- (4) A licensee who receives an interstate simulcast may combine its gross or net pools with pools at the sending racetracks pursuant to rules established by the Board. All licensees combining their gross pools at a sending racetrack shall adopt the take-out percentages of the sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel wagers placed in other states or countries to be combined with its gross or net wagering pools or other wagering pools.
- (5) After the payment of the interstate commission fee (except for the interstate commission fee on a supplemental interstate simulcast, which shall be paid by the host track and by each non-host licensee through the host-track) and all applicable State and local taxes, except as provided in subsection (q) of Section 27 of this Act, the remainder of moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows:
  - (A) For interstate simulcast wagers made at a host track, 50% to the host track and 50% to purses at the host track.
    - (B) For wagers placed on interstate simulcast

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defined supplemental simulcasts as in races, subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses at the host track.

- (6) Notwithstanding any provision in this Act to the contrary, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all times subject to Board approval, which shall be withheld only upon a finding that a supplemental interstate simulcast is clearly adverse to the integrity of racing.
- (7) Notwithstanding any provision of this Act to the contrary, after payment of all applicable State and local taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain 50% of the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host licensee derives its license as follows:
  - (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

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

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to the contrary, if no standardbred racing is conducted at 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 p.m. and 6:30 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
- (B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund and shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into the Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with other moneys paid into that Fund. The moneys deposited pursuant to this subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice assistance of the Illinois Standardbred Breeders Fund

Advisory Board.

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- (7.2) Notwithstanding any other provision of this Act to the contrary, if no thoroughbred racing is conducted at 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:
  - (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 deposited into its standardbred purse account; and
  - (B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund. Moneys deposited into the Illinois Colt Stakes Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at the discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. The moneys deposited

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into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.

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

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 wagering location license.

Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be

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

- (7.4) If live standardbred racing is conducted at a racetrack located in Madison County at any time in calendar year 2001 before the payment required under paragraph (7.3) has been made, the organization licensee who is licensed to conduct racing at that racetrack shall pay all moneys derived by that racetrack from simulcast wagering and inter-track wagering during calendar years 2000 and 2001 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 2001 to the standardbred purse account at that racetrack to 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

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generated on racing, inter-track wagering, or simulcast wagering at any other Illinois wagering facility.

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

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in the event that the total Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois pari-mutuel handle on Illinois horse races that is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at such wagering facility for calendar year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the succeeding calendar year, an amount equal to 2% of the differential in total Illinois pari-mutuel handle Illinois horse races at the wagering facility between that calendar year in question and 1994 provided, however, that a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the wagering facility, based on: (i) the racing dates awarded to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure

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reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari-mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance 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) Any person licensed to conduct a race meeting (i) at a track where 60 or more days of racing were conducted during the immediately preceding calendar year or where

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over the 5 immediately preceding calendar years an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 according to the 1990 decennial census, and an average of at least 60 days of racing per year between 1985 and 1993 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's (C) a finding by the Board of racing meeting; or extraordinary circumstances and that it was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating control of the racing facility may also receive up to 6 inter-track wagering location licenses. In no event shall more than 6 inter-track wagering locations be established for each eligible race track, except that an eligible race track located in a county that has a population of more

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than 230,000 and that is bounded by the Mississippi River may establish up to 7 inter-track wagering locations. An application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an application for an inter-track wagering location license there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to \$500. The application shall be on forms prescribed and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by the Board in connection therewith.

- (2) The Board shall examine the applications with respect to their conformity with this Act and the rules and regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the Board, the Board may then issue a license to conduct inter-track wagering and simulcast wagering to such applicant. All such applications shall be acted upon by the Board at a meeting to be held on such date as may be fixed by the Board.
- (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 racing, and of maximizing revenue to the State.
- (4) Prior to the issuance of a license to conduct inter-track wagering and simulcast wagering, the applicant

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shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the licensee, upon presentation of the winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools.

- (5) Each license to conduct inter-track wagering and simulcast wagering shall specify the person to whom it is issued, the dates on which such wagering is permitted, and the track or location where the wagering is to be 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.
- (8) Inter-track wagering or simulcast wagering shall not be conducted at any track less than 5 miles from a track at which a racing meeting is in progress.
  - Inter-track wagering location licensees (8.1)

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derive their licenses from a particular organization licensee shall conduct inter-track wagering and simulcast wagering only at locations which are either within 90 miles that race track where the particular organization licensee is licensed to conduct racing, or within 135 miles of that race track where the particular organization licensee is licensed to conduct racing in the case of race tracks in counties of less than 400,000 that were operating on or before June 1, 1986. However, inter-track wagering and simulcast wagering shall not be conducted by those licensees at any location within 5 miles of any race track at which a horse race meeting has been licensed in the current year, unless the person having operating control of such race track has given its written consent to such inter-track wagering location licensees, which consent must be filed with the Board at or prior to the time 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 such residences. registered voters at Such written permission statements shall be filed with the Board. The distance of 500 feet shall be measured to the nearest part

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of any building used for worship services, education programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and not to property boundaries. However, inter-track wagering or simulcast wagering may be conducted at a site within 500 feet of a church, school or residences of 50 or more registered voters if such church, school or residences have been erected or established, or such voters have been registered, after the Board issues the original inter-track wagering location license at the site in question. Inter-track wagering location licensees may conduct inter-track wagering and simulcast wagering only in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. However, no license to conduct inter-track wagering and simulcast wagering shall be granted by the Board with respect to any inter-track wagering location within the jurisdiction of any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, inter-track wagering and simulcast wagering conducted at a site if such ordinance or resolution is enacted after the Board licenses the original inter-track wagering location licensee for the site in question.

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

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

(10.2) Notwithstanding any other provision of this Act, with respect to intertrack wagering at a race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the first race track"), or at a facility operated by an inter-track wagering licensee or inter-track wagering

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location licensee that derives its license from the organization licensee that operates the first race track, on races conducted at the first race track or on races conducted at another Illinois race track simultaneously televised to the first race track or to a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, those moneys shall be allocated as follows:

- That portion of all moneys wagered on (A) standardbred racing that is required under this Act to be paid to purses shall be paid to purses for standardbred races.
- That portion of all moneys wagered 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 inter-track wagering licensee on inter-track wagering shall be allocated with 50% to be split between the 2

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participating licensees and 50% to purses, except that an intertrack wagering licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not remaining retention with the divide any Illinois organization licensee that provides the race or races, and an intertrack wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with that organization licensee.

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

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moneys to purses at the operating host track; (iii) until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, 1% of the pari-mutuel handle wagered on inter-track wagering and simulcast wagering at each inter-track wagering location licensee facility to the Horse Racing Tax Allocation Fund, provided that, to the extent the total amount collected and distributed to the Horse Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and distributed to the Horse Racing Tax Allocation Fund during year 1994, that calendar excess amount. shall be redistributed (I) to all inter-track wagering location licensees, based on each licensee's pro-rata share of the total handle from inter-track wagering and simulcast wagering for all inter-track wagering location licensees during the calendar year in which this provision is applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in subpart (I) shall be further redistributed as provided in subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 provided first, that the shares of those amounts, which are to be redistributed to the host track or to purses at the host track under subparagraph (B) of paragraph (5) of subsection (q) of this Section 26 shall be redistributed based on each host track's pro rata share of the total inter-track wagering and simulcast wagering

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handle at all host tracks during the calendar year in question, and second, that any amounts redistributed as described in part (I) to an inter-track wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed as provided in subparagraphs (D) and (E) of paragraph (7) of subsection (g) of this Section 26, with the portion of that further redistribution allocated to purses at that organization licensee to be divided between standardbred purses and thoroughbred purses based on the amounts otherwise allocated to that purses at organization licensee during the calendar year in question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of conducting its wagering. The remainder of the monies retained by the inter-track wagering location licensee shall be allocated 40% to the location licensee and 60% to the organization licensee which provides the Illinois races to the location, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee that provides the race or races and an intertrack wagering

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location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide remaining retention with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of this paragraph, in the case of the additional inter-track wagering location licenses authorized under paragraph (1) of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: during the first 12 months the licensee is in operation, 5.25% of the pari-mutuel handle wagered at the location on races; during the second 12 months, 5.25%; during the third 12 months, 5.75%; during the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall be retained by the licensee to satisfy all costs and expenses of conducting its wagering: during the first 12 months the licensee is in operation, 8.25% of the pari-mutuel handle wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 7.75%; during the fourth 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional intertrack wagering location licensees authorized under this amendatory Act of 1995, purses for the first 12 months the licensee is in operation shall be 5.75% of the pari-mutuel wagered at the location, purses

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

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

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to Illinois horse racing and breeding promote the

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industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve 2 representatives of chairman; organization licensees conducting thoroughbred race meetings in State, recommended by those licensees; representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Foundation, Owners recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; representative of the Horsemen's Benevolent Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to

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fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. remaining 50% of The two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the 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 municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, except that if the conservation district does not maintain a museum, the monies shall be allocated equally between the county and the municipality in which the inter-track location licensee is located for general purposes) or to a municipal recreation board for park purposes (if an inter-track wagering location licensee is located

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in a municipality that is not included within any park district and park maintenance is the function of the municipal recreation board and the municipality has a 1990 population of 9,302 according to the United States Bureau of the Census); provided that the monies are distributed to each park district or conservation district or municipality that does not have a park district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location licensee within the park district or conservation district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before the effective date of this amendatory Act of 1991 by an inter-track wagering location licensee located in a municipality that is not included within any park district but is included within a conservation district as provided in this paragraph shall, as soon as practicable after the effective date of this amendatory Act of 1991, be allocated and paid to that conservation district as provided in this paragraph. Any park district or municipality not maintaining a museum may deposit the monies in the corporate fund of the park district or municipality where inter-track wagering location is located, to be used for general purposes; and

One-seventh to the Agricultural Premium Fund to be

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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:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in by those this State, recommended licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a

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representative of the Horsemen's Benevolent Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their 50% official duties. The remaining two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the 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

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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. This subparagraph (C) shall be inoperative and of no force 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:
  - (i) If the inter-track wagering licensee, intertrack wagering licensee that except an 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 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.
  - (ii) If the inter-track wagering licensee, an intertrack wagering licensee that derives its license from an organization licensee located in a county with a population in excess of

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230,000 and bounded by the Mississippi River, is also conducting its own race meeting during the same dates, then the purse allocation shall be as follows: 50% to purses at the track where the races wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee is accepting such wagers.

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

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under which such wagering shall be held and conducted. Such rules and regulations are to provide for the 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.
- (C) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.
  - (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 any rules wagering and regulations this and

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promulgated in accordance with this Act.

- (F) The Board shall name and appoint a State director of this wagering who shall be a representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering as may be provided for by the rules and regulations of the Board; such rules and regulation shall specify the method of appointment and the Director's powers, authority and duties.
- (G) The Board is vested with the power to impose civil penalties of up to \$5,000 against individuals and 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.
- (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 that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair

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

21 (Source: P.A. 96-762, eff. 8-25-09.)

22 (230 ILCS 5/26.7 new)

Sec. 26.7. Advanced deposit wagering surcharge. Beginning
on August 26, 2012, each advance deposit wagering licensee
shall impose a surcharge of up to 0.18% on winning wagers and

- 1 winnings from wagers placed through advance deposit wagering.
- 2 The surcharge shall be deducted from winnings prior to payout.
- 3 Amounts derived from a surcharge imposed under this Section
- 4 shall be paid to the standardbred purse accounts of
- 5 organization licensees conducting standardbred racing.
- 6 (230 ILCS 5/27) (from Ch. 8, par. 37-27)
- 7 Sec. 27. (a) In addition to the organization license fee 8 provided by this Act, until January 1, 2000, a graduated 9 privilege tax is hereby imposed for conducting the pari-mutuel 10 system of wagering permitted under this Act. Until January 1, 2000, except as provided in subsection (g) of Section 27 of 11 12 this Act, all of the breakage of each racing day held by any licensee in the State shall be paid to the State. Until January 13 14 1, 2000, such daily graduated privilege tax shall be paid by 15 the licensee from the amount permitted to be retained under this Act. Until January 1, 2000, each day's graduated privilege 16 tax, breakage, and Horse Racing Tax Allocation funds shall be 17 remitted to the Department of Revenue within 48 hours after the 18 19 close of the racing day upon which it is assessed or within
- 20 such other time as the Board prescribes. The privilege tax
- 21 hereby imposed, until January 1, 2000, shall be a flat tax at
- 22 the rate of 2% of the daily pari-mutuel handle except as
- provided in Section 27.1.
- In addition, every organization licensee, except as
- provided in Section 27.1 of this Act, which conducts multiple

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wagering shall pay, until January 1, 2000, as a privilege tax on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional amount equal to 3.5% of the amount wagered each day on any other multiple wager which involves a single betting interest on 3 or more horses. The licensee shall remit the amount of such taxes to the Department of Revenue within 48 hours after the close of the racing day on which it is assessed or within such other time as the Board prescribes.

This subsection (a) shall be inoperative and of no force and effect on and after January 1, 2000.

(a-5) Beginning on January 1, 2000, a flat pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel handle is imposed at all pari-mutuel wagering facilities and on advance deposit wagering from a location other than a wagering facility, except as otherwise provided for in this subsection (a-5). In addition to the pari-mutuel tax imposed on advance deposit wagering pursuant to this subsection (a-5), beginning on the effective date of this amendatory Act of the 97th General Assembly until May 1, 2013, an additional pari-mutuel tax at the rate of 0.25% shall be imposed on advance deposit wagering, the amount of which shall not exceed \$250,000 in each calendar year. Until August 25, 2012, the The additional 0.25% pari-mutuel tax imposed on advance deposit wagering by Public Act 96-972 this amendatory Act of the 96th General Assembly shall be deposited into the Quarter Horse Purse Fund, which shall be created as a

1 non-appropriated trust fund administered by the Board for grants to thoroughbred organization licensees for payment of 2 purses for quarter horse races conducted by the organization 3 4 licensee. Beginning on August 26, 2012, the additional 0.25% 5 pari-mutuel tax imposed on advance deposit wagering shall be 6 deposited equally into the standardbred purse accounts of organization licensees conducting standardbred racing. 7 8 Thoroughbred organization licensees may petition the Board to 9 conduct quarter horse racing and receive purse grants from the 10 Quarter Horse Purse Fund. The Board shall have complete 11 discretion in distributing the Quarter Horse Purse Fund to the petitioning organization licensees. Beginning on the effective 12 13 date of this amendatory Act of the 96th General Assembly and 14 until moneys deposited pursuant to Section 54 are distributed 15 and received, a pari-mutuel tax at the rate of 0.75% of the 16 daily pari-mutuel handle is imposed at a pari-mutuel facility whose license is derived from a track located in a county that 17 borders the Mississippi River and conducted live racing in the 18 previous year. After moneys deposited pursuant to Section 54 19 20 are distributed and received, a pari-mutuel tax at the rate of 21 1.5% of the daily pari-mutuel handle is imposed at 22 pari-mutuel facility whose license is derived from a track 23 located in a county that borders the Mississippi River and 24 conducted live racing in the previous year. The pari-mutuel tax 25 imposed by this subsection (a-5) shall be remitted to the 26 Department of Revenue within 48 hours after the close of the

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- 1 racing day upon which it is assessed or within such other time as the Board prescribes. 2
  - (b) On or before December 31, 1999, in the event that any organization licensee conducts 2 separate programs of races on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the privilege tax on such daily handle as provided in subsection (a) of this Section.
  - (c) Licensees shall at all times keep accurate books and records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under the provisions of this Section. The Board or its duly authorized representative or representatives shall at all reasonable times have access to such records for the purpose of examining and checking the same and ascertaining whether the proper amount of taxes is being paid as provided. The Board shall require verified reports and a statement of the total of all monies wagered daily at each wagering facility upon which the taxes are assessed and may prescribe forms upon which such reports and statement shall be made.
  - (d) Any licensee failing or refusing to pay the amount of any tax due under this Section shall be quilty of a business offense and upon conviction shall be fined not more than \$5,000 in addition to the amount found due as tax under this Section. Each day's violation shall constitute a separate offense. All fines paid into Court by a licensee hereunder shall be

- 1 transmitted and paid over by the Clerk of the Court to the 2 Board.
- (e) No other license fee, privilege tax, excise tax, or 3 4 racing fee, except as provided in this Act, shall be assessed 5 or collected from any such licensee by the State.
- (f) No other license fee, privilege tax, excise tax or 6 racing fee shall be assessed or collected from any such 7 licensee by units of local government except as provided in 8 9 paragraph 10.1 of subsection (h) and subsection (f) of Section 10 26 of this Act. However, any municipality that has a Board 11 licensed horse race meeting at a race track wholly within its corporate boundaries or a township that has a Board licensed 12 13 horse race meeting at a race track wholly within the 14 unincorporated area of the township may charge a local 15 amusement tax not to exceed 10¢ per admission to such horse 16 race meeting by the enactment of an ordinance. However, any municipality or county that has a Board licensed inter-track 17 18 wagering location facility wholly within its corporate 19 boundaries may each impose an admission fee not to exceed \$1.00 20 per admission to such inter-track wagering location facility, 21 so that a total of not more than \$2.00 per admission may be 22 imposed. Except as provided in subparagraph (g) of Section 27 23 of this Act, the inter-track wagering location licensee shall 24 collect any and all such fees and within 48 hours remit the 25 fees to the Board, which shall, pursuant to rule, cause the 26 fees to be distributed to the county or municipality.

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- (q) Notwithstanding any provision in this Act to the contrary, if in any calendar year the total taxes and fees required to be collected from licensees and distributed under this Act to all State and local governmental authorities exceeds the amount of such taxes and fees distributed to each State and local governmental authority to which each State and local governmental authority was entitled under this Act for calendar year 1994, then the first \$11 million of that excess amount shall be allocated at the earliest possible date for distribution as purse money for the succeeding calendar year. Upon reaching the 1994 level, and until the excess amount of taxes and fees exceeds \$11 million, the Board shall direct all licensees to cease paying the subject taxes and fees and the Board shall direct all licensees to allocate any such excess amount for purses as follows:
  - (i) the excess amount shall be initially divided between thoroughbred and standardbred purses based on the thoroughbred's and standardbred's respective percentages of total Illinois live wagering in calendar year 1994;
  - (ii) each thoroughbred and standardbred organization licensee issued an organization licensee in that succeeding allocation year shall be allocated an amount equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in calendar year 1994 (the total to be determined based on the sum of 1994 on-track wagering for all organization licensees

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issued organization licenses in both the allocation year and the preceding year) multiplied by the total amount allocated for standardbred or thoroughbred purses, provided that the first \$1,500,000 of the amount allocated to standardbred purses under item (i) shall be allocated to the Department of Agriculture to be expended with the assistance and advice of the Illinois Standardbred Breeders Funds Advisory Board for the purposes listed in subsection (q) of Section 31 of this Act, before the amount allocated to standardbred purses under item (i) allocated to standardbred organization licensees in the succeeding allocation year.

To the extent the excess amount of taxes and fees to be collected and distributed to State and local governmental authorities exceeds \$11 million, that excess amount shall be collected and distributed to State and local authorities as provided for under this Act.

(Source: P.A. 96-762, eff. 8-25-09; 96-1287, eff. 7-26-10.) 18

19 (230 ILCS 5/28) (from Ch. 8, par. 37-28)

Sec. 28. Except as provided in subsection (g) of Section 27 of this Act, moneys collected shall be distributed according to the provisions of this Section 28.

(a) Thirty per cent of the total of all monies received by State as privilege taxes shall be paid into the Metropolitan Exposition Auditorium and Office Building Fund in

- 1 the State Treasury.
- 2 (b) In addition, 4.5% of the total of all monies received
- 3 by the State as privilege taxes shall be paid into the State
- 4 treasury into a special Fund to be known as the Metropolitan
- 5 Exposition, Auditorium, and Office Building Fund.
- 6 (c) Fifty per cent of the total of all monies received by
- 7 the State as privilege taxes under the provisions of this Act
- 8 shall be paid into the Agricultural Premium Fund.
- 9 (d) Seven per cent of the total of all monies received by
- 10 the State as privilege taxes shall be paid into the Fair and
- 11 Exposition Fund in the State treasury; provided, however, that
- when all bonds issued prior to July 1, 1984 by the Metropolitan
- 13 Fair and Exposition Authority shall have been paid or payment
- shall have been provided for upon a refunding of those bonds,
- 15 thereafter 1/12 of \$1,665,662 of such monies shall be paid each
- 16 month into the Build Illinois Fund, and the remainder into the
- 17 Fair and Exposition Fund. All excess monies shall be allocated
- 18 to the Department of Agriculture for distribution to county
- 19 fairs for premiums and rehabilitation as set forth in the
- 20 Agricultural Fair Act.
- 21 (e) The monies provided for in Section 30 shall be paid
- into the Illinois Thoroughbred Breeders Fund.
- 23 (f) The monies provided for in Section 31 shall be paid
- into the Illinois Standardbred Breeders Fund.
- 25 (g) Until January 1, 2000, that part representing 1/2 of
- 26 the total breakage in Thoroughbred, Harness, Appaloosa,

- 1 Arabian, and Quarter Horse racing in the State shall be paid
- 2 into the Illinois Race Track Improvement Fund as established in
- Section 32. 3
- 4 (h) All other monies received by the Board under this Act
- 5 shall be paid into the Horse Racing Fund General Revenue Fund
- 6 of the State.
- (i) The salaries of the Board members, secretary, stewards, 7
- 8 of mutuels, veterinarians, representatives,
- 9 accountants, clerks, stenographers, inspectors and other
- 10 employees of the Board, and all expenses of the Board incident
- 11 to the administration of this Act, including, but not limited
- to, all expenses and salaries incident to the taking of saliva 12
- 13 and urine samples in accordance with the rules and regulations
- of the Board shall be paid out of the Agricultural Premium 14
- 15 Fund.
- 16 (j) The Agricultural Premium Fund shall also be used:
- (1) for the expenses of operating the Illinois State 17
- Fair and the DuQuoin State Fair, including the payment of 18
- 19 prize money or premiums;
- 20 (2) for the distribution to county fairs, vocational
- agriculture section fairs, agricultural societies, and 21
- 22 agricultural extension clubs in accordance with
- 23 Agricultural Fair Act, as amended;
- 24 (3) for payment of prize monies and premiums awarded
- incurred in connection with 25 and for expenses
- 26 International Livestock Exposition and the Mid-Continent

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- 1 Livestock Exposition held in Illinois, which premiums, and awards must be approved, and paid by the Illinois 2 3 Department of Agriculture;
  - for personal service of county agricultural advisors and county home advisors;
  - (5) for distribution to agricultural home economic extension councils in accordance with "An Act in relation to additional support and finance for the Agricultural and Home Economic Extension Councils in the several counties in this State and making an appropriation therefor", approved July 24, 1967, as amended;
  - for research on equine disease, including a development center therefor;
  - (7) for training scholarships for study on equine diseases to students at the University of Illinois College of Veterinary Medicine;
  - (8) for the rehabilitation, repair and maintenance of the Illinois and DuOuoin State Fair Grounds and the structures and facilities thereon and the construction of permanent improvements on such Fair Grounds, including such structures, facilities and property located on such State Fair Grounds which are under the custody and control of the Department of Agriculture;
  - (9) for the expenses of the Department of Agriculture under Section 5-530 of the Departments of State Government Law (20 ILCS 5/5-530);

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(10)	for	the e	expe	nses o	f the De	epartme	ent o	f Com	merce	and
Economic	Opp	ortun	ity	under	Section	ns 605	-620,	605-	-625,	and
605-630	of	the	Dep	partmen	nt of	Comme	rce	and	Econo	omic
Opportuni	ity	Law	(20	ILCS	605/60	5-620,	605	/605-	625,	and
605/605-6	630)	;								

- (11) for remodeling, expanding, and reconstructing facilities destroyed by fire of any Fair and Exposition Authority in counties with a population of 1,000,000 or more inhabitants;
- (12) for the purpose of assisting in the care and general rehabilitation of disabled veterans of any war and their surviving spouses and orphans;
- (13) for expenses of the Department of State Police for duties performed under this Act;
- (14) for the Department of Agriculture for soil surveys and soil and water conservation purposes;
- (15) for the Department of Agriculture for grants to the City of Chicago for conducting the Chicagofest;
- (16) for the State Comptroller for grants and operating expenses authorized by the Illinois Global Partnership Act.
- (k) To the extent that monies paid by the Board to the Agricultural Premium Fund are in the opinion of the Governor in excess of the amount necessary for the purposes herein stated, the Governor shall notify the Comptroller and the State Treasurer of such fact, who, upon receipt of such notification,

- shall transfer such excess monies from the Agricultural Premium 1
- Fund to the General Revenue Fund. 2
- (Source: P.A. 94-91, Sections 55-135 and 90-10, eff. 7-1-05.) 3
- Section 99. Effective date. This Act takes effect upon 4
- 5 becoming law.".