

Rep. Dennis M. Reboletti

## Filed: 3/21/2014

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1	AMENDMENT TO HOUSE BILL 5903
2	AMENDMENT NO Amend House Bill 5903 by replacing
3	everything after the enacting clause with the following:
4	"Section 5. The Illinois Horse Racing Act of 1975 is
5	amended by changing Section 30 as follows:
6	(230 ILCS 5/30) (from Ch. 8, par. 37-30)
7	Sec. 30. (a) The General Assembly declares that it is the
8	policy of this State to encourage the breeding of thoroughbred
9	horses in this State and the ownership of such horses by
10	residents of this State in order to provide for: sufficient
11	numbers of high quality thoroughbred horses to participate in
12	thoroughbred racing meetings in this State, and to establish
13	and preserve the agricultural and commercial benefits of such
14	breeding and racing industries to the State of Illinois. It is
15	the intent of the General Assembly to further this policy by
16	the provisions of this Act.

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1 (b) Each organization licensee conducting a thoroughbred racing meeting pursuant to this Act shall provide at least two 2 races each day limited to Illinois conceived and foaled horses 3 4 or Illinois foaled horses or both. A minimum of 6 races shall 5 be conducted each week limited to Illinois conceived and foaled or Illinois foaled horses or both. No horses shall be permitted 6 to start in such races unless duly registered under the rules 7 8 of the Department of Agriculture.

9 (c) Conditions of races under subsection (b) shall be 10 commensurate with past performance, quality, and class of 11 Illinois conceived and foaled and Illinois foaled horses 12 available. If, however, sufficient competition cannot be had 13 among horses of that class on any day, the races may, with 14 consent of the Board, be eliminated for that day and substitute 15 races provided.

16 (d) There is hereby created a special fund of the State 17 Treasury to be known as the Illinois Thoroughbred Breeders 18 Fund.

Except as provided in subsection (g) of Section 27 of this Act, 8.5% of all the monies received by the State as privilege taxes on Thoroughbred racing meetings shall be paid into the Illinois Thoroughbred Breeders Fund.

(e) The Illinois Thoroughbred Breeders Fund shall be
administered by the Department of Agriculture with the advice
and assistance of the Advisory Board created in subsection (f)
of this Section.

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1 (f) The Illinois Thoroughbred Breeders Fund Advisory Board shall consist of the Director of the Department of Agriculture, 2 who shall serve as Chairman; a member of the Illinois Racing 3 4 Board, designated by it; 3 2 representatives of the 5 licensees conducting thoroughbred racing organization 6 meetings, recommended by them; 2 representatives of the breeders foundation representing the majority of thoroughbred 7 breeders in Illinois Illinois Thoroughbred Breeders and Owners 8 9 Foundation, recommended by it; one representative and 2 10 representatives of the horsemen's association representing the 11 largest number of thoroughbred owners and trainers who race at race meetings in Madison County, Horsemen's Benevolent 12 13 Protective Association or any successor organization established in Illinois comprised of the largest number of 14 15 owners and trainers, recommended by it; and one representative 16 of the horsemen's association representing the largest number of thoroughbred owners and trainers who race at race meetings 17 in Cook County, recommended by it , with one representative of 18 the Horsemen's Benevolent and Protective Association to 19 20 from its Illinois Division, and one from its Chicago Division. Advisory Board members shall serve for 2 years commencing 21 22 January 1 of each odd numbered year. If representatives of the 23 licensees conducting thoroughbred organization racing 24 meetings, the breeders foundation representing the majority of thoroughbred breeders in Illinois the Illinois Thoroughbred 25 Breeders and Owners Foundation, the horsemen's association 26

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1 representing the largest number of thoroughbred owners and trainers who race at race meetings in Madison County, and the 2 horsemen's association representing the largest number of 3 4 thoroughbred owners and trainers who race at race meetings in 5 Cook County the Horsemen's Benevolent Protection Association have not been recommended by January 1, of each odd numbered 6 year, the Director of the Department of Agriculture shall make 7 8 an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall 9 10 receive no compensation for their services as members but shall 11 be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official 12 13 duties.

14 (q) No monies shall be expended from the Illinois 15 Thoroughbred Breeders Fund except as appropriated by the 16 General Assembly. Monies appropriated from the Illinois 17 Thoroughbred Breeders Fund shall be expended by the Department 18 of Agriculture, with the advice and assistance of the Illinois 19 Thoroughbred Breeders Fund Advisory Board, for the following 20 purposes only:

(1) To provide purse supplements to owners of horses participating in races limited to Illinois conceived and foaled and Illinois foaled horses. Any such purse supplements shall not be included in and shall be paid in addition to any purses, stakes, or breeders' awards offered by each organization licensee as determined by agreement 09800HB5903ham003 -5- LRB098 17275 ZMM 57216 a

between such organization licensee and an organization
 representing the horsemen. No monies from the Illinois
 Thoroughbred Breeders Fund shall be used to provide purse
 supplements for claiming races in which the minimum
 claiming price is less than \$7,500.

6 (2) To provide stakes and awards to be paid to the 7 owners of the winning horses in certain races limited to 8 Illinois conceived and foaled and Illinois foaled horses 9 designated as stakes races.

10 (2.5) To provide an award to the owner or owners of an Illinois conceived and foaled or Illinois foaled horse that 11 wins a maiden special weight, an allowance, overnight 12 13 handicap race, or claiming race with claiming price of 14 \$10,000 or more providing the race is not restricted to 15 Illinois conceived and foaled or Illinois foaled horses. Awards shall also be provided to the owner or owners of 16 Illinois conceived and foaled and Illinois foaled horses 17 18 that place second or third in those races. To the extent 19 that additional moneys are required to pay the minimum 20 additional awards of 40% of the purse the horse earns for 21 placing first, second or third in those races for Illinois 22 foaled horses and of 60% of the purse the horse earns for 23 placing first, second or third in those races for Illinois 24 conceived and foaled horses, those moneys shall be provided 25 from the purse account at the track where earned.

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(3) To provide stallion awards to the owner or owners

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of any stallion that is duly registered with the Illinois 1 Thoroughbred Breeders Fund Program prior to the effective 2 3 date of this amendatory Act of 1995 whose duly registered Illinois conceived and foaled offspring wins a race 4 5 conducted at an Illinois thoroughbred racing meeting other than a claiming race. Such award shall not be paid to the 6 owner or owners of an Illinois stallion that served outside 7 8 this State at any time during the calendar year in which 9 such race was conducted.

10 (4) To provide \$75,000 annually for purses to be distributed to county fairs that provide for the running of 11 during each county fair exclusively for 12 races the 13 thoroughbreds conceived and foaled in Illinois. The 14 conditions of the races shall be developed by the county 15 fair association and reviewed by the Department with the advice and assistance of the Illinois 16 Thoroughbred 17 Breeders Fund Advisory Board. There shall be no wagering of 18 any kind on the running of Illinois conceived and foaled 19 races at county fairs.

20 (4.1) To provide purse money for an Illinois stallion
 21 stakes program.

(5) No less than 80% of all monies appropriated from
the Illinois Thoroughbred Breeders Fund shall be expended
for the purposes in (1), (2), (2.5), (3), (4), (4.1), and
(5) as shown above.

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(6) To provide for educational programs regarding the

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thoroughbred breeding industry.

- 2 (7) To provide for research programs concerning the
  3 health, development and care of the thoroughbred horse.
- 4 (8) To provide for a scholarship and training program
  5 for students of equine veterinary medicine.
- 6 (9) To provide for dissemination of public information 7 designed to promote the breeding of thoroughbred horses in 8 Illinois.
- 9 (10) To provide for all expenses incurred in the 10 administration of the Illinois Thoroughbred Breeders Fund.
- 11 (h) Whenever the Governor finds that the amount in the Illinois Thoroughbred Breeders Fund is more than the total of 12 13 the outstanding appropriations from such fund, the Governor 14 shall notify the State Comptroller and the State Treasurer of 15 such fact. The Comptroller and the State Treasurer, upon 16 receipt of such notification, shall transfer such excess amount from the Illinois Thoroughbred Breeders Fund to the General 17 18 Revenue Fund.

(i) A sum equal to  $12 \ 1/2\%$  of the first prize money of 19 20 every purse won by an Illinois foaled or an Illinois conceived and foaled horse in races not limited to Illinois foaled horses 21 22 or Illinois conceived and foaled horses, or both, shall be paid 23 by the organization licensee conducting the horse race meeting. 24 Such sum shall be paid from the organization licensee's share 25 of the money wagered as follows: 11 1/2% to the breeder of the 26 winning horse and 1% to the organization representing 09800HB5903ham003 -8- LRB098 17275 ZMM 57216 a

1 thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for 2 verifying the amounts of breeders' awards earned, assuring 3 4 their distribution in accordance with this Act, and servicing 5 and promoting the Illinois thoroughbred horse racing industry. 6 The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this 7 8 subsection (i) to be audited at least annually by a registered 9 public accountant. The organization shall file copies of each 10 annual audit with the Racing Board, the Clerk of the House of 11 Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon 12 13 request and upon payment of the reasonable cost of photocopying 14 the requested number of copies. Such payments shall not reduce 15 any award to the owner of the horse or reduce the taxes payable 16 under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization 17 18 thoroughbred breeders and representing owners whose 19 representative serves on the Illinois Thoroughbred Breeders 20 Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' 21 22 awards and the amount of such breeders' awards under this 23 subsection to verify accuracy of payments and assure proper 24 distribution of breeders' awards in accordance with the 25 provisions of this Act. Such payments shall be delivered by the 26 organization licensee within 30 days of the end of each race 1 meeting.

2 (j) A sum equal to 12 1/2% of the first prize money won in each race limited to Illinois foaled horses or Illinois 3 4 conceived and foaled horses, or both, shall be paid in the 5 following manner by the organization licensee conducting the horse race meeting, from the organization licensee's share of 6 the money wagered: 11 1/2% to the breeders of the horses in 7 8 each such race which are the official first, second, third and 9 fourth finishers and 1% to the organization representing 10 thoroughbred breeders and owners whose representative serves 11 on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring 12 their proper distribution in accordance with this Act, and 13 14 servicing and promoting the Illinois thoroughbred horse racing 15 industry. The organization representing thoroughbred breeders 16 and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a 17 registered public accountant. The organization shall file 18 19 copies of each annual audit with the Racing Board, the Clerk of 20 the House of Representatives and the Secretary of the Senate, 21 and shall make copies of each annual audit available to the 22 public upon request and upon payment of the reasonable cost of 23 photocopying the requested number of copies.

The 11 1/2% paid to the breeders in accordance with this subsection shall be distributed as follows:

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(1) 60% of such sum shall be paid to the breeder of the

horse which finishes in the official first position;
 (2) 20% of such sum shall be paid to the breeder of the
 horse which finishes in the official second position;

4 (3) 15% of such sum shall be paid to the breeder of the
5 horse which finishes in the official third position; and

6 (4) 5% of such sum shall be paid to the breeder of the 7 horse which finishes in the official fourth position.

8 Such payments shall not reduce any award to the owners of a 9 horse or reduce the taxes payable under this Act. Upon 10 completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders 11 12 and owners whose representative serves on the Illinois 13 Thoroughbred Breeders Fund Advisory Board a listing of all the 14 Illinois foaled and the Illinois conceived and foaled horses 15 which won breeders' awards and the amount of such breeders' 16 awards in accordance with the provisions of this Act. Such 17 payments shall be delivered by the organization licensee within 18 30 days of the end of each race meeting.

19 (k) The term "breeder", as used herein, means the owner of 20 the mare at the time the foal is dropped. An "Illinois foaled 21 horse" is a foal dropped by a mare which enters this State on 22 or before December 1, in the year in which the horse is bred, 23 provided the mare remains continuously in this State until its 24 foal is born. An "Illinois foaled horse" also means a foal born 25 of a mare in the same year as the mare enters this State on or 26 before March 1, and remains in this State at least 30 days

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after foaling, is bred back during the season of the foaling to 1 2 Illinois Registered Stallion (unless a veterinarian an 3 certifies that the mare should not be bred for health reasons), 4 and is not bred to a stallion standing in any other state 5 during the season of foaling. An "Illinois foaled horse" also means a foal born in Illinois of a mare purchased at public 6 auction subsequent to the mare entering this State prior to 7 8 February 1 of the foaling year providing the mare is owned 9 solely by one or more Illinois residents or an Illinois entity 10 that is entirely owned by one or more Illinois residents.

(1) The Department of Agriculture shall, by rule, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board:

(1) Qualify stallions for Illinois breeding; 14 such 15 stallions to stand for service within the State of Illinois 16 at the time of a foal's conception. Such stallion must not stand for service at any place outside the State of 17 18 Illinois during the calendar year in which the foal is 19 conceived. The Department of Agriculture may assess and 20 collect application fees for the registration of Illinois-eligible stallions. All fees collected are to be 21 22 paid into the Illinois Thoroughbred Breeders Fund.

(2) Provide for the registration of Illinois conceived
 and foaled horses and Illinois foaled horses. No such horse
 shall compete in the races limited to Illinois conceived
 and foaled horses or Illinois foaled horses or both unless

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1 registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as are 2 3 necessary to determine the eligibility of such horses. The 4 Department of Agriculture may assess and collect 5 application fees for the registration of Illinois-eligible foals. All fees collected are to be paid into the Illinois 6 Thoroughbred Breeders Fund. No person shall knowingly 7 8 prepare or cause preparation of an application for 9 registration of such foals containing false information.

10 (m) The Department of Agriculture, with the advice and 11 assistance of the Illinois Thoroughbred Breeders Fund Advisory 12 Board, shall provide that certain races limited to Illinois 13 conceived and foaled and Illinois foaled horses be stakes races 14 and determine the total amount of stakes and awards to be paid 15 to the owners of the winning horses in such races.

16 In determining the stakes races and the amount of awards for such races, the Department of Agriculture shall consider 17 18 factors, including but not limited to, the amount of money 19 appropriated for the Illinois Thoroughbred Breeders Fund 20 program, organization licensees' contributions, availability 21 of stakes caliber horses as demonstrated by past performances, 22 whether the race can be coordinated into the proposed racing 23 dates within organization licensees' racing dates, opportunity 24 for colts and fillies and various age groups to race, public 25 wagering on such races, and the previous racing schedule.

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(n) The Board and the organizational licensee shall notify

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1 the Department of the conditions and minimum purses for races limited to Illinois conceived and foaled and Illinois foaled 2 3 horses conducted for each organizational licensee conducting a 4 thoroughbred racing meeting. The Department of Agriculture 5 with the advice and assistance of the Illinois Thoroughbred 6 Breeders Fund Advisory Board may allocate monies for purse supplements for such races. In determining whether to allocate 7 money and the amount, the Department of Agriculture shall 8 consider factors, including but not limited to, the amount of 9 10 money appropriated for the Illinois Thoroughbred Breeders Fund 11 program, the number of races that may occur, and the organizational licensee's purse structure. 12

13 order to improve the breeding quality  $(\circ)$ In of 14 thoroughbred horses in the State, the General Assembly 15 recognizes that existing provisions of this Section to 16 encourage such quality breeding need to be revised and strengthened. As such, a Thoroughbred Breeder's Program Task 17 Force is to be appointed by the Governor by September 1, 1999 18 19 to make recommendations to the General Assembly by no later 20 than March 1, 2000. This task force is to be composed of 2 representatives from the Illinois Thoroughbred Breeders and 21 22 Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's 23 Association, 3 from Illinois race tracks operating 24 thoroughbred race meets for an average of at least 30 days in 25 the past 3 years, the Director of Agriculture, the Executive 26 Director of the Racing Board, who shall serve as Chairman.

1 (Source: P.A. 91-40, eff. 6-25-99.)".