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AN ACT in relation to gambling.

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

Section 5. The State Finance Act is amended by changing
Section 8.25e as follows:

б (30 ILCS 105/8.25e) (from Ch. 127, par. 144.25e) Sec. 8.25e. (a) The State Comptroller and the State 7 8 Treasurer shall automatically transfer on the first day of each month, beginning on February 1, 1988 and ending on June 9 1, 2001, from the General Revenue Fund to each of the funds 10 then supplemented by the pari-mutuel tax pursuant to Section 11 28 of the Illinois Horse Racing Act of 1975, an amount equal 12 13 to (i) the amount of pari-mutuel tax deposited into such fund during the month in fiscal year 1986 which corresponds to the 14 15 month preceding such transfer, minus (ii) the amount of pari-mutuel tax (or the replacement transfer authorized by 16 Section 8g(d) of this Act and Section 28.1(d) of the Horse 17 18 Racing Act of 1975) deposited into such fund during the month 19 preceding such transfer; provided, however, that no transfer 20 shall be made to a fund if such amount for that fund is equal to or less than zero and provided that no transfer shall be 21 22 made to a fund in any fiscal year after the amount deposited into such fund exceeds the amount of pari-mutuel 23 tax deposited into such fund during fiscal year 1986. 24

(b) The State Comptroller and the State Treasurer shall 25 automatically transfer on the last day of each month, 26 27 beginning on October 1, 1989, from the General Revenue Fund to the Metropolitan Exposition Auditorium and Office Building 28 29 Fund, the amount of \$2,750,000 plus any cumulative deficiencies in such transfers for prior months, until the 30 sum of \$16,500,000 has been transferred for the fiscal year 31

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beginning July 1, 1989 and until the sum of \$22,000,000 has
 been transferred for each fiscal year thereafter.

(c) After the transfer of funds from the Metropolitan 3 4 Exposition Auditorium and Office Building Fund to the Bond Retirement Fund pursuant to Section 15(b) of the Metropolitan 5 6 Civic Center Support Act, the State Comptroller and the State 7 Treasurer shall automatically transfer on the last day of 1989, 8 each month, beginning on October 1, from the 9 Metropolitan Exposition Auditorium and Office Building Fund to the Park and Conservation Fund the amount of \$1,250,000 10 11 plus any cumulative deficiencies in such transfers for prior months, until the sum of \$7,500,000 has been transferred for 12 the fiscal year beginning July 1, 1989 and until the sum of 13 \$10,000,000 has been transferred for each fiscal 14 year 15 thereafter.

16 (Source: P.A. 91-25, eff. 6-9-99.)

Section 10. The Illinois Horse Racing Act of 1975 is amended by changing Sections 26, 26.1, 27, and 28 and adding Sections 27.2 and 32.2 as follows:

20 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

21 Sec. 26. Wagering.

may conduct and supervise the 22 Any licensee (a) 23 pari-mutuel system of wagering, as defined in Section 3.12 of this Act, on horse races conducted by 24 an Illinois organization licensee or conducted at a racetrack located in 25 another state or country and televised in Illinois in 26 accordance with subsection (g) of Section 26 of this Act. 27 28 Subject to the prior consent of the Board, licensees may supplement any pari-mutuel pool in order to guarantee a 29 30 minimum distribution. Such pari-mutuel method of wagering shall not, under any circumstances if conducted under the 31 provisions of this Act, be held or construed to be unlawful, 32

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other statutes of this State to the contrary notwithstanding.
 Subject to rules for advance wagering promulgated by the
 Board, any licensee may accept wagers in advance of the day
 of the race wagered upon occurs.

5 (b) No other method of betting, pool making, wagering or 6 gambling shall be used or permitted by the licensee. Each 7 licensee may retain, subject to the payment of all applicable 8 taxes and purses, an amount not to exceed 17% of all money 9 wagered under subsection (a) of this Section, except as may 10 otherwise be permitted under this Act.

11 (b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized 12 under this Act provided that wager is electronically recorded 13 in the manner described in Section 3.12 of this Act. Any 14 15 wager made electronically by an individual while physically 16 on the premises of a licensee shall be deemed to have been made at the premises of that licensee. 17

Until January 1, 2000, the sum held by any licensee 18 (C) 19 for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by 20 21 the licensee for payment of such tickets until that date. 22 Within 10 days thereafter, the balance of such sum remaining 23 unclaimed, less any uncashed supplements contributed by such 24 licensee for the purpose of guaranteeing minimum 25 distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State treasury, 26 except as provided in subsection (g) of Section 27 27 of this 28 Act.

29 (c-5) From Beginning January 1, 2000 until July 1, 2002, 30 the sum held by any licensee for payment of outstanding 31 pari-mutuel tickets, if unclaimed prior to December 31 of the 32 next year, shall be retained by the licensee for payment of 33 such tickets until that date. Within 10 days thereafter, the 34 balance of such sum remaining unclaimed, less any uncashed

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

5 (c-10) Beginning July 1, 2002, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if б unclaimed prior to December 31 of the next year, shall be 7 8 retained by the licensee for payment of those tickets until 9 that date. Within 10 days thereafter, the balance of the sum remaining unclaimed, less any uncashed supplements 10 11 contributed by the licensee for the purpose of guaranteeing 12 minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State 13 treasury, except as provided in subsection (g) of Section 27. 14

(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.

No licensee shall knowingly permit any minor, other 20 (e) 21 than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a 22 23 racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of 24 25 wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee 26 or an owner, trainer, jockey, driver, or employee thereof at 27 a race track is a Class C misdemeanor. 28

(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. <u>From</u> Beginning January 1, 2000 <u>until</u>

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1 July 1, 2002, these wagers shall not be subject to State 2 taxation. Except during the period beginning Until January 2000 and ending June 30, 2002, when the out-of-State 3 1, 4 entity conducts a pari-mutuel pool separate from the 5 organization licensee, a privilege tax equal to 7 1/2% of all 6 monies received by the organization licensee from entities in 7 other states or countries pursuant to such contracts is 8 imposed on the organization licensee, and such privilege tax 9 shall be remitted to the Department of Revenue within 48 hours of receipt of the moneys from the simulcast. When the 10 11 out-of-State entity conducts a combined pari-mutuel pool with the organization licensee, the tax shall be 10% of all monies 12 received by the organization licensee with 25% of the 13 receipts from this 10% tax to be distributed to the county in 14 which the race was conducted. 15

16 An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more 17 18 locations in other states and may transmit audio and visual signals of races the organization licensee conducts to one or 19 more locations outside the State or country and may also 20 21 permit pari-mutuel pools in other states or countries to be 22 combined with its gross or net wagering pools or with 23 wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers 24 25 on horse races conducted in other states or countries and shall control the number of signals and types of breeds of 26 27 racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program 28 only if it finds that the simulcast program is clearly 29 30 adverse to the integrity of racing. The host track simulcast program shall include the signal of live racing of all 31 32 organization licensees. All non-host licensees shall carry the host track simulcast program and accept wagers on all 33 races included as part of the simulcast program upon which 34

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1 wagering is permitted. The costs and expenses of the host 2 track and non-host licensees associated with interstate simulcast wagering, other than the interstate commission fee, 3 4 shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall 5 not exceed 5% of Illinois handle on the interstate simulcast 6 7 race or races without prior approval of the Board. The Board 8 shall promulgate rules under which it may permit interstate 9 commission fees in excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, 10 11 including, but not limited to, satellite decoder fees, shall 12 be uniformly applied to the host track and all non-host 13 licensees.

Between the hours of 6:30 a.m. and 6:30 p.m. an 14 (1)15 intertrack wagering licensee other than the host track 16 may supplement the host track simulcast program with additional simulcast races or race programs, provided 17 that between January 1 and the third Friday in February 18 of any year, inclusive, if no live thoroughbred racing is 19 20 occurring in Illinois during this period, only 21 thoroughbred races may be used for supplemental 22 interstate simulcast purposes. The Board shall withhold 23 approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the 24 25 integrity of racing. A supplemental interstate simulcast may be transmitted from an intertrack wagering licensee 26 to its affiliated non-host licensees. 27 The interstate commission fee for a supplemental interstate simulcast 28 29 shall be paid by the non-host licensee and its affiliated 30 non-host licensees receiving the simulcast.

31 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
32 intertrack wagering licensee other than the host track
33 may receive supplemental interstate simulcasts only with
34 the consent of the host track, except when the Board

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1 finds that the simulcast is clearly adverse to the 2 integrity of racing. Consent granted under this paragraph (2) to any intertrack wagering licensee shall 3 4 be deemed consent to all non-host licensees. The interstate commission fee for the supplemental interstate 5 simulcast shall be paid by all participating non-host 6 7 licensees.

(3) Each licensee conducting interstate simulcast 8 9 wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 10 11 17% of all money wagered. If any licensee conducts the 12 pari-mutuel system wagering on races conducted at racetracks in another state or country, each such race or 13 race program shall be considered a separate racing day 14 15 for the purpose of determining the daily handle and 16 computing the privilege tax of that daily handle as provided in subsection (a) of Section 27. Until January 17 2000, from the sums permitted to be retained pursuant 18 1, 19 to this subsection, each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered 20 21 on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of 22 23 paragraph (11) of subsection (h) of this Section 26--of 24 this-Act.

Beginning July 1, 2002, from the 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 to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of this Section.

32 (4) A licensee who receives an interstate simulcast
33 may combine its gross or net pools with pools at the
34 sending racetracks pursuant to rules established by the

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

9 (5) After the payment of the interstate commission fee (except for the interstate commission fee on a 10 11 supplemental interstate simulcast, which shall be paid by 12 the host track and by each non-host licensee through the 13 host-track) and all applicable State and local taxes, except as provided in subsection (g) of Section 27 of 14 15 this Act, the remainder of moneys retained from simulcast 16 wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows: 17

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

21 (B) For wagers placed on interstate simulcast 22 races, supplemental simulcasts as defined in 23 subparagraphs (1) and (2), and separately pooled races conducted outside of the State of 24 Illinois 25 made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses 26 27 at the host track.

(6) Notwithstanding any provision in this Act to 28 29 contrary, non-host licensees who derive their the 30 licenses from a track located in a county with a population in excess of 230,000 and that borders the 31 Mississippi River may receive supplemental interstate 32 simulcast races at all times subject to Board approval, 33 34 which shall be withheld only upon a finding that a

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supplemental interstate simulcast is clearly adverse to
 the integrity of racing.

(7) Notwithstanding any provision of this Act to 3 4 the contrary, after payment of all applicable State and local taxes and interstate commission fees, non-host 5 licensees who derive their licenses from a track located 6 7 in a county with a population in excess of 230,000 and 8 that borders the Mississippi River shall retain 50% of 9 the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host 10 11 licensee derives its license as follows:

12 (A) Between January 1 and the third Friday in 13 February, inclusive, if no live thoroughbred racing 14 is occurring in Illinois during this period, when 15 the interstate simulcast is a standardbred race, the 16 purse share to its standardbred purse account;

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

(C) Between January 1 and the third Friday in 24 25 February, inclusive, if live thoroughbred racing is occurring in Illinois, between 6:30 a.m. and 6:30 26 p.m. the purse share from wagers made during this 27 time period to its thoroughbred purse account and 28 29 between 6:30 p.m. and 6:30 a.m. the purse share from 30 made during this time period to its wagers 31 standardbred purse accounts;

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

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purse share to its thoroughbred purse account;

2 (E) Between the third Saturday in February and 3 December 31, when the interstate simulcast occurs 4 between the hours of 6:30 p.m. and 6:30 a.m., the 5 purse share to its standardbred purse account.

(7.1) Notwithstanding any other provision of this 6 7 to the contrary, if no standardbred racing is Act 8 conducted at a racetrack located in Madison County during 9 any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast 10 11 wagering and inter-track wagering that (1) are to be used 12 for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during that calendar year shall 13 be paid as follows: 14

15 (A) If the licensee that conducts horse racing 16 at that racetrack requests from the Board at least 17 as many racing dates as were conducted in calendar 18 year 2000, 80% shall be paid to its thoroughbred 19 purse account; and

Twenty percent shall be deposited into the 20 (B) 21 Illinois Colt Stakes Purse Distribution Fund and 22 shall be paid to purses for standardbred races for 23 Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into 24 25 the Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were 26 generated, shall be in addition to and not 27 in lieu of any other moneys paid to standardbred purses 28 29 under this Act, and shall not be commingled with 30 other moneys paid into that Fund. The moneys deposited pursuant to this subparagraph (B) shall be 31 allocated as provided by the Department of 32 33 Agriculture, with the advice and assistance of the 34 Illinois Standardbred Breeders Fund Advisory Board.

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1 (7.2) Notwithstanding any other provision of this 2 Act to the contrary, if no thoroughbred racing is conducted at a racetrack located in Madison County during 3 4 any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast 5 wagering and inter-track wagering that (1) are to be used 6 7 for purses and (2) are generated between the hours of 8 6:30 a.m. and 6:30 p.m. during that calendar year shall 9 be deposited as follows:

10 (A) If the licensee that conducts horse racing 11 at that racetrack requests from the Board at least 12 as many racing dates as were conducted in calendar 13 year 2000, 80% shall be deposited into its 14 standardbred purse account; and

15 (B) Twenty percent shall be deposited into the 16 Illinois Colt Stakes Purse Distribution Fund. Moneys deposited into the Illinois Colt Stakes Purse 17 Distribution Fund pursuant to this subparagraph (B) 18 shall be paid to Illinois conceived and foaled 19 thoroughbred breeders' programs and to thoroughbred 20 21 purses for races conducted at any county fairgrounds 22 for Illinois conceived and foaled horses at the 23 discretion of the Department of Agriculture, with 24 the advice and assistance of the Illinois 25 Thoroughbred Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse 26 Distribution Fund pursuant to this subparagraph 27 (B) shall be deposited within 2 weeks after the day they 28 were generated, shall be in addition to and not in 29 30 lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with 31 other moneys deposited into that Fund. 32

33 (7.3) If no live standardbred racing is conducted34 at a racetrack located in Madison County in calendar year

1 2000 or 2001, an organization licensee who is licensed to 2 conduct horse racing at that racetrack shall, before 3 January 1, 2002, pay all moneys derived from simulcast 4 wagering and inter-track wagering in calendar years 2000 5 and 2001 and paid into the licensee's standardbred purse 6 account as follows:

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

10 (B) Twenty percent to the Illinois Colt Stakes11 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 17 Distribution Fund pursuant to this paragraph (7.3) shall 18 be paid to purses for standardbred races for Illinois 19 conceived and foaled horses conducted at any county 20 21 fairgrounds. Moneys paid into the Illinois Colt Stakes 22 Purse Distribution Fund pursuant to this paragraph (7.3) 23 be used as determined by the Department of shall Agriculture, with the advice and assistance of the 24 Illinois Standardbred Breeders Fund Advisory Board, shall 25 be in addition to and not in lieu of any other moneys 26 paid to standardbred purses under this Act, and shall not 27 be commingled with any other moneys paid into that Fund. 28

29 (7.4) If live standardbred racing is conducted at a 30 racetrack located in Madison County at any time in 31 calendar year 2001 before the payment required under 32 paragraph (7.3) has been made, the organization licensee 33 who is licensed to conduct racing at that racetrack shall 34 pay all moneys derived by that racetrack from simulcast

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wagering and inter-track wagering during calendar years 2 2000 and 2001 that (1) are to be used for purses and (2) 3 are generated between the hours of 6:30 p.m. and 6:30 4 a.m. during 2000 or 2001 to the standardbred purse 5 account at that racetrack to be used for standardbred 6 purses.

7 (8) Notwithstanding any provision in this Act to 8 the contrary, an organization licensee from a track 9 located in a county with a population in excess of 230,000 and that borders the Mississippi River and its 10 11 affiliated non-host licensees shall not be entitled to 12 share in any retention generated on racing, inter-track wagering, or simulcast wagering at any other Illinois 13 wagering facility. 14

15 (8.1) Notwithstanding any provisions in this Act to 16 the contrary, if 2 organization licensees are conducting standardbred race meetings concurrently between the hours 17 of 6:30 p.m. and 6:30 a.m., after payment of all 18 local taxes 19 applicable State and and interstate commission fees, the remainder of the amount retained 20 21 from simulcast wagering otherwise attributable to the 22 host track and to host track purses shall be split daily 23 between the 2 organization licensees and the purses at the tracks of the 2 organization licensees, respectively, 24 25 based on each organization licensee's share of the total live handle for that day, provided that this provision 26 shall not apply to any non-host licensee that derives its 27 from a track located in a county with a 28 license 29 population in excess of 230,000 and that borders the 30 Mississippi River.

31 (9) (Blank).

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- 32 (10) (Blank).
- 33 (11) (Blank).

(12) The Board shall have authority to compel all

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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.

5 (Blank). Notwithstanding-any--other--provision (13)of--this--Act;--in--the--event--that--the--total-Illinois 6 7 pari-mutuel--handle--on--Illinois--horse--races--at---all 8 wagering-facilities-in-any-calendar-year-is-less-than-75% 9 of--the--total--Illinois--pari-mutuel--handle-on-Illinois 10 horse-races-at-all-such-wagering-facilities-for--calendar 11 year-1994,-then-each-wagering-facility-that-has-an-annual total-Illinois-pari-mutuel-handle-on-Illinois-horse-races 12 13 that--is--less-than-75%-of-the-total-Illinois-pari-mutuel 14 handle-on-Illinois-horse-races-at-such-wagering--facility 15 for--calendar--year--19947-shall-be-permitted-to-receive7 16 from-any-amount-otherwise-payable-to-the-purse-account-at 17 the-race--track--with--which--the--wagering--facility--is affiliated--in--the--succeeding--calendar-year,-an-amount 18 equal--to--2%--of--the--differential--in--total--Illinois 19 pari-mutuel--handle--on--Illinois--horse--races--at---the 20 21 wagering--facility-between-that-calendar-year-in-question 22 and-1994-provided,--however,--that--a--wagering--facility shall-not-be-entitled-to-any-such-payment-until-the-Board 23 24 certifies--in-writing-to-the-wagering-facility-the-amount 25 to-which-the-wagering-facility-is-entitled-and-a-schedule 26 for-payment-of-the-amount-to-the-wagering-facility,-based on:-(i)-the--racing--dates--awarded--to--the--race--track 27 28 affiliated---with---the---wagering--facility--during--the 29 succeeding-year;-(ii)-the-sums-available--or--anticipated 30 to--be--available--in-the-purse-account-of-the-race-track 31 affiliated-with-the-wagering-facility-for--purses--during the--succeeding--year; -- and -- (iii) -- the--need--to--ensure 32 33 reasonable--purse--levels--during-the-payment-period.-The Board's-certification-shall-be--provided--no--later--than 34

1 January--31--of--the--succeeding--year---In--the--event-a wagering--facility--entitled--to--a--payment--under--this 2 3 paragraph-(13)-is--affiliated--with--a--race--track--that 4 maintains---purse--accounts--for--both--standardbred--and 5 thoroughbred--racing,--the--amount--to--be--paid--to--the wagering-facility-shall-be--divided--between--each--purse 6 7 account--pro-rata;-based-on-the-amount-of-Illinois-handle 8 on--Illinois---standardbred---and---thoroughbred---racing 9 respectively-at-the-wagering-facility-during-the-previous 10 calendar--year---Annually---the--General--Assembly--shall 11 appropriate--sufficient--funds--from--the-General-Revenue 12 Fund-to-the-Department-of-Agriculture--for--payment--into 13 the--thoroughbred--and--standardbred--horse--racing-purse accounts-at-Illinois-pari-mutuel-tracks---The-amount-paid 14 15 to-each-purse-account-shall-be-the--amount--certified--by 16 the--Illinois--Racing-Board-in--January-to-be-transferred 17 from-each-account-to-each--eligible--racing--facility--in accordance-with-the-provisions-of-this-Section. 18

(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:

23 (1) Any person licensed to conduct a race meeting at a track where 60 or more days of racing were 24 (i) conducted during the immediately preceding calendar year 25 where over the 5 immediately preceding calendar years 26 or 27 an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; 28 29 (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less 30 than 150,000 according to the 1990 decennial census, and 31 an average of at least 60 days of racing per year between 32 1985 and 1993 may be issued an inter-track wagering 33 license; or (iii) at a track located in Madison County 34

1 that conducted at least 100 days of live racing during 2 the immediately preceding calendar year may be issued an inter-track wagering license, unless a lesser schedule of 3 4 live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement 5 between the organization licensee and the associations 6 7 representing the largest number of owners, trainers, 8 jockeys, or standardbred drivers who race horses at that 9 organization licensee's racing meeting; or (C) a finding by the Board of extraordinary circumstances and that it 10 11 was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such 12 person having operating control of the racing 13 facility may also receive up to 6 inter-track wagering location 14 15 licenses. In no event shall more than 6 inter-track 16 wagering locations be established for each eligible race track, except that an eligible race track located in a 17 county that has a population of more than 230,000 and 18 that is bounded by the Mississippi River may establish up 19 20 to 7 inter-track wagering locations. An application for 21 said license shall be filed with the Board prior to such 22 dates as may be fixed by the Board. With an application 23 for an inter-track wagering location license there shall be delivered to the Board a certified check or bank draft 24 25 payable to the order of the Board for an amount equal to \$500. The application shall be on forms prescribed and 26 furnished by the Board. 27 The application shall comply with all other rules, regulations and conditions imposed 28 29 by the Board in connection therewith.

30 (2) The Board shall examine the applications with 31 respect to their conformity with this Act and the rules 32 and regulations imposed by the Board. If found to be in 33 compliance with the Act and rules and regulations of the 34 Board, the Board may then issue a license to conduct

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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.

5 (3) In granting licenses to conduct inter-track 6 wagering and simulcast wagering, the Board shall give due 7 consideration to the best interests of the public, of 8 horse racing, and of maximizing revenue to the State.

9 Prior to the issuance of a license to conduct (4) inter-track wagering and 10 simulcast wagering, the 11 applicant shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the 12 13 applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the 14 payment by the licensee of all taxes due under Section 27 15 16 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the 17 licensee, upon presentation of the winning ticket or tickets, of all 18 sums payable to the patrons of pari-mutuel pools. 19

20 (5) Each license to conduct inter-track wagering 21 and simulcast wagering shall specify the person to whom 22 it is issued, the dates on which such wagering is 23 permitted, and the track or location where the wagering 24 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.

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

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(8) Inter-track wagering or simulcast wagering

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

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

21 (8.2) Inter-track wagering or simulcast wagering 22 shall not be conducted by an inter-track wagering location licensee at any location within 500 feet of 23 an existing church or existing school, nor within 500 feet 24 of the residences of more than 50 registered voters 25 without receiving written permission from a majority of 26 the registered voters at such residences. Such written 27 permission statements shall be filed with the Board. 28 The 29 distance of 500 feet shall be measured to the nearest part of any building used for worship services, education 30 31 programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, 32 and not to property boundaries. However, inter-track 33 wagering or simulcast wagering may be conducted at a site 34

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1 within 500 feet of a church, school or residences of 50 2 or more registered voters if such church, school or residences have been erected or established, or such 3 4 voters have been registered, after the Board issues the original inter-track wagering location license at the 5 site in question. Inter-track wagering location licensees 6 7 may conduct inter-track wagering and simulcast wagering 8 only in areas that are zoned for commercial or 9 manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. 10 11 However, no license to conduct inter-track wagering and simulcast wagering shall be granted by the Board with 12 respect to any inter-track wagering location within the 13 jurisdiction of any local zoning authority which has, 14 by ordinance or by resolution, prohibited the establishment 15 16 of an inter-track wagering location within its However, 17 jurisdiction. inter-track wagering and simulcast wagering may be conducted at a site 18 if such 19 ordinance or resolution is enacted after the Board 20 licenses the original inter-track wagering location 21 licensee for the site in question.

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(9) (Blank).

23 (10) An inter-track wagering licensee or an 24 inter-track wagering location licensee may retain, 25 subject to the payment of the privilege taxes and the purses, an amount not to exceed 17% of all money wagered. 26 Each program of racing conducted by each inter-track 27 wagering wagering licensee or inter-track 28 location 29 licensee shall be considered a separate racing day for 30 the purpose of determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle 31 as provided in Section 27. 32

33 (10.1) Except as provided in subsection (g) of
34 Section 27 of this Act, inter-track wagering location

1 licensees shall pay 1% of the pari-mutuel handle at each 2 location to the municipality in which such location is situated and 1% of the pari-mutuel handle at each 3 4 location to the county in which such location is In the event that an inter-track wagering 5 situated. location licensee is situated in an unincorporated area 6 7 county, such licensee shall pay 2% of the of а 8 pari-mutuel handle from such location to such county.

9 (10.2) Notwithstanding any other provision of this Act, with respect to intertrack wagering at a race track 10 11 located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River 12 ("the first race track"), or at a facility operated by an 13 inter-track wagering licensee or inter-track wagering 14 location licensee that derives its 15 license from the 16 organization licensee that operates the first race track, on races conducted at the first race track or on races 17 conducted at another Illinois race track 18 and simultaneously televised to the first race track or to a 19 20 facility operated by an inter-track wagering licensee or 21 inter-track wagering location licensee that derives its 22 license from the organization licensee that operates the first race track, those moneys shall be allocated as 23 follows: 24

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

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

33 (11) (A) After payment of the privilege or
34 pari-mutuel tax, any other applicable taxes, and the

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

19 (B) From the sums permitted to be retained pursuant 20 to this Act each inter-track wagering location licensee 21 shall pay (i) the privilege or pari-mutuel tax to the 22 State; (ii) 4.75% of the pari-mutuel handle on intertrack 23 wagering at such location on races as purses, except that an intertrack wagering location licensee that derives its 24 25 from a track located in a county with a license population in excess of 230,000 and that borders the 26 27 Mississippi River shall retain all purse moneys for its own purse account consistent with distribution set forth 28 29 in this subsection (h), and intertrack wagering location 30 licensees that accept wagers on races conducted by an licensee located in a county with a 31 organization population in excess of 230,000 and that borders the 32 Mississippi River shall distribute all purse moneys to 33 purses at the operating host track; (iii) until January 34

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

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1 Section 26, with the portion of that further 2 redistribution allocated to purses at that organization licensee to be divided between standardbred purses and 3 4 thoroughbred purses based on the amounts otherwise 5 allocated to purses at that organization licensee during the calendar year in question; (iv) beginning July 1, 6 7 2002, except as provided in subsection (g) of Section 27, 1% of the pari-mutuel handle wagered on inter-track 8 9 wagering and simulcast wagering at each inter-track 10 wagering location licensee facility to the Horse Racing Tax Allocation Fund, provided that, to the extent the 11 total amount collected and distributed to the Horse 12 13 Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and 14 15 distributed to the Horse Racing Tax Allocation Fund in calendar year 1994, that excess amount shall be 16 redistributed (I) to all inter-track wagering location 17 licensees, based on each licensees' pro-rata share of the 18 total handle from inter-track wagering and simulcast 19 wagering for all inter-track wagering location licensees 20 21 during the calendar year in which this provision is 22 applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in 23 subpart (I) shall be further redistributed as provided in 24 subparagraph (B) of paragraph (5) of subsection (g) 25 provided, first, that the shares of those amounts, which 26 are to be redistributed to the host track or to purses at 27 the host track under subparagraph (b) of subparagraph (5) 28 29 of subsection (q) shall be redistributed based on each host track's pro rata share of the total inter-track 30 31 wagering and simulcast wagering handle at all host tracks during the calendar year in question and, second, that 32 any amounts redistributed as described in part (I) to an 33 inter-track wagering location licensee that accepts 34

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

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1 licensee is in operation, 5.25% of the pari-mutuel handle 2 wagered at the location on races; during the second 12 months, 5.25%; during the third 12 months, 5.75%; during 3 4 the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall 5 be retained by the licensee to satisfy all costs and 6 7 expenses of conducting its wagering: during the first 12 8 months the licensee is in operation, 8.25% of the 9 pari-mutuel handle wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 10 11 7.75%; during the fourth 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional 12 intertrack wagering location licensees authorized under 13 this amendatory Act of 1995, purses for the first 12 14 15 months the licensee is in operation shall be 5.75% of the 16 pari-mutuel wagered at the location, purses for the second 12 months the licensee is in operation shall be 17 6.25%, and purses thereafter shall be 6.75%. 18 For additional intertrack location licensees authorized under 19 this amendatory Act of 1995, the licensee shall be 20 21 allowed to retain to satisfy all costs and expenses: 22 7.75% of the pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its 23 second 12 months of operation, and 6.75% thereafter. 24

25 (C) There is hereby created the Horse Racing Tax Allocation Fund which shall remain in existence until 26 December 31, 1999. Moneys remaining in the Fund after 27 December 31, 1999 shall be paid into the General Revenue 28 29 Fund. Until January 1, 2000, all monies paid into the 30 Racing Tax Allocation Fund pursuant to this Horse paragraph (11) by inter-track wagering location licensees 31 located in park districts of 500,000 population or less, 32 or in a municipality that is not included within any park 33 34 district but is included within a conservation district

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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, and operating on May 1, 1994 shall be allocated

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Two-sevenths to the Department of Agriculture. 6 7 Fifty percent of this two-sevenths shall be used to 8 promote the Illinois horse racing and breeding 9 industry, and shall be distributed by the Department of Agriculture upon the advice of a 10 9-member 11 committee appointed by the Governor consisting of the following members: the Director of Agriculture, 12 who shall serve as chairman; 2 representatives of 13 organization licensees conducting thoroughbred race 14 15 meetings in this State, recommended by those 16 licensees; 2 representatives of organization licensees conducting standardbred race meetings in 17 State, recommended by those licensees; a 18 this representative of the Illinois Thoroughbred Breeders 19 Owners Foundation, recommended 20 and bv that 21 Foundation; a representative of the Illinois 22 Standardbred Owners and Breeders Association, recommended by that Association; a representative of 23 the Horsemen's Benevolent and Protective Association 24 25 or any successor organization thereto established in Illinois comprised of the largest number of owners 26 27 and trainers, recommended by that Association or that successor organization; and a representative of 28 29 the Illinois Harness Horsemen's Association, 30 recommended by that Association. Committee members 31 shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative 32 of any of the above-named entities has not been 33 recommended by January 1 of any even-numbered year, 34

by appropriation as follows:

1 the Governor shall appoint a committee member to 2 fill that position. Committee members shall receive no compensation for their services as members but 3 4 shall be reimbursed for all actual and necessary expenses and disbursements incurred 5 in the performance of their official duties. The remaining 6 7 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set 8 9 forth in the Agricultural Fair Act;

10 Four-sevenths to park districts or 11 municipalities that do not have a park district of 12 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located 13 in such a park district) or 14 to conservation 15 districts for museum purposes (if an inter-track 16 wagering location licensee is located in а municipality that is not included within any park 17 district but is included within a conservation 18 19 district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 20 21 1990 population of 88,257 according to the United 22 States Bureau of the Census, except that if the 23 conservation district does not maintain a museum, the monies shall be allocated equally between the 24 25 county and the municipality in which the inter-track wagering location licensee is located for general 26 purposes) or to a municipal recreation board for 27 park purposes (if an inter-track wagering location 28 29 licensee is located in a municipality that is not 30 included within any park district and park maintenance is the function of the municipal 31 recreation board and the municipality has a 1990 32 population of 9,302 according to the United States 33 34 Bureau of the Census); provided that the monies are

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

22 One-seventh to the Agricultural Premium Fund to 23 be used for distribution to agricultural home economics extension councils in accordance with "An 24 25 Act in relation to additional support and finances for the Agricultural and Home Economic Extension 26 Councils in the several counties of this State and 27 making an appropriation therefor", approved July 24, 28 1967. 29

30 Until January 1, 2000, all other monies paid into 31 the Horse Racing Tax Allocation Fund pursuant to this 32 paragraph (11) shall be allocated by appropriation as 33 follows:

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Two-sevenths to the Department of Agriculture.

1 Fifty percent of this two-sevenths shall be used to 2 promote the Illinois horse racing and breeding industry, and shall be distributed by the Department 3 4 of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of 5 the following members: the Director of Agriculture, 6 7 who shall serve as chairman; 2 representatives of 8 organization licensees conducting thoroughbred race 9 meetings in this State, recommended by those 10 licensees; 2 representatives of organization 11 licensees conducting standardbred race meetings in State, recommended by those licensees; a 12 this representative of the Illinois Thoroughbred Breeders 13 Foundation, recommended 14 and Owners by that 15 Foundation; a representative of the Illinois 16 Standardbred Owners and Breeders Association, recommended by that Association; a representative of 17 the Horsemen's Benevolent and Protective Association 18 19 or any successor organization thereto established in 20 Illinois comprised of the largest number of owners 21 and trainers, recommended by that Association or 22 that successor organization; and a representative of 23 Illinois Harness Horsemen's the Association, recommended by that Association. Committee members 24 25 shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative 26 of any of the above-named entities has not been 27 recommended by January 1 of any even-numbered year, 28 the Governor shall appoint a committee member to 29 30 fill that position. Committee members shall receive no compensation for their services as members but 31 shall be reimbursed for all actual and necessary 32 expenses and disbursements incurred 33 in the performance of their official duties. The remaining 34

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50% of this 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

11 One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home 12 economics extension councils in accordance with "An 13 Act in relation to additional support and finances 14 15 for the Agricultural and Home Economic Extension 16 Councils in the several counties of this State and making an appropriation therefor", approved July 24, 17 1967. This subparagraph (C) shall be inoperative and 18 of no force and effect on and after January 1, 2000. 19 20 (C-5) There is hereby created the Horse Racing Tax Allocation Fund. All moneys paid into the Horse Racing 21 22 Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park 23 24 districts of 500,000 population or less, or in a municipality that is not included within any park 25 district but is included within a conservation district 26 27 and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 28 29 88,257 according to the United States Bureau of the Census, and operating on May 1, 1994 shall be allocated 30 31 by appropriation as follows:

32Two-sevenths to the Department of Agriculture.33Fifty percent of this two-sevenths shall be used to34promote the Illinois horse racing and breeding

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1 industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member 2 3 committee appointed by the Governor consisting of 4 the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of 5 organization licensees conducting thoroughbred race 6 7 meetings in this State, recommended by those 8 licensees; 2 representatives of organization 9 licensees conducting standardbred race meetings in 10 this State, recommended by those licensees; a 11 representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that 12 13 Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, 14 15 recommended by that Association; a representative of 16 the Horsemen's Benevolent and Protective Association 17 or any successor organization thereto established in Illinois comprised of the largest number of owners 18 and trainers, recommended by that Association or 19 that successor organization; and a representative of 20 the Illinois Harness Horsemen's Association, 21 22 recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 23 24 1 of each even-numbered year. If a representative of any of the above-named entities has not been 25 recommended by January 1 of any even-numbered year, 26 the Governor shall appoint a committee member to 27 fill that position. Committee members shall receive 28 29 no compensation for their services as members but shall be reimbursed for all actual and necessary 30 31 expenses and disbursements incurred in the performance of their official duties. The remaining 32 50% of this two-sevenths shall be distributed to 33

county fairs for premiums and rehabilitation as set

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forth in the Agricultural Fair Act;

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Four-sevenths to park districts or 2 3 municipalities that do not have a park district of 4 500,000 population or less for museum purposes (if 5 an inter-track wagering location licensee is located in such a park district) or to conservation 6 7 districts for museum purposes (if an inter-track wagering location licensee is located in a 8 municipality that is not included within any park 9 10 district but is included within a conservation 11 district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 12 1990 population of 88,257 according to the United 13 States Bureau of the Census, except that if the 14 15 conservation district does not maintain a museum, 16 the monies shall be allocated equally between the 17 county and the municipality in which the inter-track wagering location licensee is located for general 18 purposes) or to a municipal recreation board for 19 park purposes (if an inter-track wagering location 20 21 licensee is located in a municipality that is not 22 included within any park district and park maintenance is the function of the municipal 23 24 recreation board and the municipality has a 1990 population of 9,302 according to the United States 25 Bureau of the Census); provided that the moneys are 26 distributed to each park district or conservation 27 district or municipality that does not have a park 28 29 district in an amount equal to four-sevenths of the amount collected by each inter-track wagering 30 31 location licensee within the park district or conservation district or municipality for the Fund. 32 Any park district or municipality not maintaining a 33 museum may deposit the monies in the corporate fund 34

1	of the park district or municipality where the
2	inter-track wagering location is located, to be used
3	for general purposes; and
4	One-seventh to the Agricultural Premium Fund to
5	be used for distribution to agricultural home
6	economics extension councils in accordance with "An
7	Act in relation to additional support and finances
8	for the Agricultural and Home Economic Extension
9	Councils in the several counties of this State and
10	making an appropriation therefor", approved July 24,
11	<u>1967.</u>
12	All other moneys paid into the Horse Racing Tax
13	Allocation Fund pursuant to this paragraph (11) shall be
14	allocated by appropriation as follows:
15	Two-sevenths to the Department of Agriculture.
16	Fifty percent of this two-sevenths shall be used to
17	promote the Illinois horse racing and breeding
18	industry, and shall be distributed by the Department
19	of Agriculture upon the advice of a 9-member
20	committee appointed by the Governor consisting of
21	the following members: the Director of Agriculture,
22	who shall serve as chairman; 2 representatives of
23	organization licensees conducting thoroughbred race
24	meetings in this State, recommended by those
25	licensees; 2 representatives of organization
26	licensees conducting standardbred race meetings in
27	this State, recommended by those licensees; a
28	representative of the Illinois Thoroughbred Breeders
29	and Owners Foundation, recommended by that
30	Foundation; a representative of the Illinois
31	Standardbred Owners and Breeders Association,
32	recommended by that Association; a representative of
33	the Horsemen's Benevolent and Protective Association
34	or any successor organization thereto established in

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

19Four-seventhsto museums and aquariums located20in park districts of over 500,000 population;21provided that the monies are distributed in22accordance with the previous year's distribution of23the maintenance tax for such museums and aquariums24as provided in Section 2 of the Park District25Aquarium and Museum Act; and

One-seventh to the Agricultural Premium Fund to 26 be used for distribution to agricultural home 27 28 economics extension councils in accordance with "An 29 Act in relation to additional support and finances for the Agricultural and Home Economic Extension 30 31 Councils in the several counties of this State and making an appropriation therefor", approved July 24, 32 33 <u>1967.</u>

34

(D) Except as provided in paragraph (11) of

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1 this subsection (h), with respect to purse 2 allocation from intertrack wagering, the monies so retained shall be divided as follows:

4 (i) If the inter-track wagering licensee, 5 except an intertrack wagering licensee that derives its license from an organization 6 7 licensee located in a county with a population in excess of 230,000 and bounded by 8 the 9 Mississippi River, is not conducting its own race meeting during the same dates, then the 10 11 entire purse allocation shall be to purses at the track where the races wagered on are being 12 conducted. 13

(ii) If the inter-track 14 wagering 15 licensee, except an intertrack wagering licensee that derives its license from an 16 organization licensee located in a county with 17 a population in excess of 230,000 and bounded 18 19 by the Mississippi River, is also conducting its own race meeting during the same dates, 20 21 then the purse allocation shall be as follows: 22 50% to purses at the track where the races 23 wagered on are being conducted; 50% to purses at the track where the inter-track wagering 24 25 licensee is accepting such wagers.

(iii) If the inter-track wagering is 26 being conducted by an inter-track wagering 27 28 location licensee, except an intertrack wagering location licensee that derives its 29 30 license from an organization licensee located in a county with a population in excess of 31 32 230,000 and bounded by the Mississippi River, the entire purse allocation for Illinois races 33 34 shall be to purses at the track where the race -36-

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meeting being wagered on is being held.

2 (12) The Board shall have all powers necessary and proper to fully supervise and control the conduct of 3 4 inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering 5 location licensees, including, but not limited to the 6 7 following:

8 (A) The Board is vested with power to 9 promulgate reasonable rules and regulations for the administering the conduct of this 10 purpose of 11 wagering and to prescribe reasonable rules, regulations and conditions under which such wagering 12 be held and conducted. Such rules and 13 shall regulations are to provide for the prevention of 14 practices detrimental to the public interest and for 15 16 the best interests of said wagering and to impose penalties for violations thereof. 17

(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 24 25 whom it delegates this power, may eject or exclude from any licensee's facilities, any person whose 26 conduct or reputation is such that his presence on 27 such premises may, in the opinion of the Board, call 28 29 into the question the honesty and integrity of, or 30 interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded 31 or ejected from such premises solely on the grounds 32 33 of race, color, creed, national origin, ancestry, or 34 sex.

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(D) (Blank).

2 (E) The Board is vested with the power to 3 appoint delegates to execute any of the powers 4 granted to it under this Section for the purpose of 5 administering this wagering and any rules and 6 regulations promulgated in accordance with this Act.

7 (F) The Board shall name and appoint a State 8 director of this wagering who shall be a 9 representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering 10 11 as may be provided for by the rules and regulations of the Board; such rules and regulation shall 12 specify the method of appointment and the Director's 13 powers, authority and duties. 14

15 (G) The Board is vested with the power to 16 impose civil penalties of up to \$5,000 against individuals and up to \$10,000 against licensees for 17 each violation of any provision of this Act relating 18 19 to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other 20 21 action which in the Board's discretion, is a 22 detriment or impediment to such wagering.

23 The Department of Agriculture may enter into (13) agreements with licensees authorizing such licensees to 24 25 conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of 26 Such agreement shall specify the races of 27 Agriculture. the Department of Agriculture's licensed race meeting 28 29 upon which the licensees will conduct wagering. In the 30 event that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin 31 32 State Fair which are in addition to the licensee's previously approved racing program, those races shall be 33 considered a separate racing day for the purpose of 34

1 determining the daily handle and computing the privilege 2 or pari-mutuel tax on that daily handle as provided in Sections 27 and <u>27.2</u> 27.1. 3 Such agreements shall be 4 approved by the Board before such wagering may be 5 conducted. In determining whether to grant approval, the Board shall give due consideration to the best interests 6 7 of the public and of horse racing. The provisions of 8 paragraphs (1), (8), (8.1), and (8.2) of subsection (h) 9 of this Section which are not specified in this paragraph (13) shall not apply to licensed race meetings conducted 10 11 by the Department of Agriculture at the Illinois State 12 Fair in Sangamon County or the DuQuoin State Fair in 13 Perry County, or to any wagering conducted on those race 14 meetings.

15 (i) Notwithstanding the other provisions of this Act, 16 the conduct of wagering at wagering facilities is authorized 17 on all days, except as limited by subsection (b) of Section 18 19 of this Act.

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

20

(230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

21 Sec. 26.1. For all pari-mutuel wagering conducted pursuant to this Act, breakage shall be at all times computed 22 on the basis of not to exceed 10¢ on the dollar. If there is 23 24 a minus pool, the breakage shall be computed on the basis of not to exceed 5¢ on the dollar. Breakage shall be calculated 25 26 only after the amounts retained by licensees pursuant to Sections 26 and 26.2 of this Act, and all applicable 27 28 surcharges, are taken out of winning wagers and winnings from wagers. From Beginning January 1, 2000 until July 1, 2002, 29 all breakage shall be retained by licensees, with 50% of 30 breakage to be used by licensees for racetrack improvements 31 at the racetrack from which the wagering facility derives its 32 license. The-remaining-50%-is-to-be--allocated--50%--to--the 33

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purse--account--for--the--licensee--from--which--the-wagering facility-derives-its-license-and-50%-to-the-licensee-(Source: P.A. 91-40, eff. 6-25-99.)

4

(230 ILCS 5/27) (from Ch. 8, par. 37-27)

5 Sec. 27. (a) In addition to the organization license fee provided by this Act, except during the period beginning 6 until January 1, 2000 and ending June 30, 2002, a graduated 7 8 privilege tax is hereby imposed for conducting the pari-mutuel system of wagering permitted under this Act. 9 10 Except during the period beginning Until January 1, 2000 and ending June 30, 2002, except as provided in subsection (g) of 11 Section 27 of this Act, all of the breakage of each racing 12 day held by any licensee in the State shall be paid to the 13 14 State. Except during the period beginning Until January 1, 2000 and ending June 30, 2002, such daily graduated privilege 15 tax shall be paid by the licensee from the amount permitted 16 17 to be retained under this Act. Until January 1, 2000, each day's graduated privilege tax, breakage, and Horse Racing Tax 18 Allocation funds shall be remitted to the Department of 19 20 Revenue within 48 hours after the close of the racing day 21 upon which it is assessed or within such other time as the 22 prescribes. Beginning July 1, 2002, each day's Board privilege tax, breakage, and Illinois Horse Racing Tax 23 Allocation funds shall be remitted to the Department of 24 Revenue within 48 hours of the close of the racing day upon 25 which it is collected or within such other time as the Board 26 may prescribe. The privilege tax hereby imposed, except 27 28 during the period beginning until January 1, 2000 and ending 29 June 30, 2002, shall be a flat tax at the rate of 2% of the daily pari-mutuel handle except as provided in Section 27.1. 30

In addition, every organization licensee, except as provided in Section 27.1 of this Act, which conducts multiple wagering shall pay, <u>except during the period beginning</u> until

January 1, 2000 and ending June 30, 2002, as a privilege tax 1 2 on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional 3 4 amount equal to 3.5% of the amount wagered each day on any 5 other multiple wager which involves a single betting interest 6 on 3 or more horses. The licensee shall remit the amount of 7 such taxes to the Department of Revenue within 48 hours after 8 the close of the racing day on which it is assessed or within 9 such other time as the Board prescribes.

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

12 (a-5) From Beginning on January 1, 2000 until July 1, 13 2002, a flat pari-mutuel tax at the rate of 1.5% of the daily 14 pari-mutuel handle is imposed at all pari-mutuel wagering 15 facilities, which shall be remitted to the Department of 16 Revenue within 48 hours after the close of the racing day 17 upon which it is assessed or within such other time as the 18 Board prescribes.

(b) On or before December 31, 1999 and on or after July
1, 2002, if 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 26 27 records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under 28 the 29 provisions of this Section. The Board or its duly authorized 30 representative or representatives shall at all reasonable times have access to such records for the purpose of 31 32 examining and checking the same and ascertaining whether the 33 proper amount of taxes is being paid as provided. The Board 34 shall require verified reports and a statement of the total

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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.

4 Any licensee failing or refusing to pay the amount (d) 5 of any tax due under this Section shall be guilty of а 6 business offense and upon conviction shall be fined not more 7 than \$5,000 in addition to the amount found due as tax under 8 this Section. Each day's violation shall constitute a 9 separate offense. All fines paid into Court by a licensee hereunder shall be transmitted and paid over by the Clerk of 10 11 the Court to the Board.

(e) No other license fee, privilege tax, excise tax, or
racing fee, except as provided in this Act, shall be assessed
or collected from any such licensee by the State.

(f) No other license fee, privilege tax, excise tax or 15 16 racing fee shall be assessed or collected from any such licensee by units of local government except as provided in 17 paragraph 10.1 of subsection (h) and subsection (f) of 18 19 Section 26 of this Act. However, any municipality that has a Board licensed horse race meeting at a race track wholly 20 21 within its corporate boundaries or a township that has a 22 Board licensed horse race meeting at a race track wholly 23 within the unincorporated area of the township may charge a local amusement tax not to exceed 10¢ per admission to such 24 25 race meeting by the enactment of an ordinance. horse However, any municipality or county that has a Board licensed 26 inter-track wagering location facility wholly within its 27 corporate boundaries may each impose an admission fee not to 28 29 exceed \$1.00 per admission to such inter-track wagering 30 location facility, so that a total of not more than \$2.00 per admission may be imposed. Except as provided in subparagraph 31 32 (g) of Section 27 of this Act, the inter-track wagering location licensee shall collect any and all such fees and 33 34 within 48 hours remit the fees to the Board, which shall,

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pursuant to rule, cause the fees to be distributed to the
 county or municipality.

(g) Notwithstanding any provision in this Act to the 3 4 contrary, if in any calendar year the total taxes and fees required to be collected from licensees and distributed under 5 б this Act to all State and local governmental authorities 7 exceeds the amount of such taxes and fees distributed to each 8 State and local governmental authority to which each State and local governmental authority was entitled under this Act 9 for calendar year 1994, then the first \$11 million of that 10 11 excess amount shall be allocated at the earliest possible date for distribution as purse money for the succeeding 12 calendar year. Upon reaching the 1994 level, and until the 13 excess amount of taxes and fees exceeds \$11 million, 14 the 15 Board shall direct all licensees to cease paying the subject 16 taxes and fees and the Board shall direct all licensees to allocate any such excess amount for purses as follows: 17

18 (i) the excess amount shall be initially divided 19 between thoroughbred and standardbred purses based on the 20 thoroughbred's and standardbred's respective percentages 21 of total Illinois live wagering in calendar year 1994;

22 (ii) each thoroughbred and standardbred 23 organization licensee issued an organization licensee in that succeeding allocation year shall be allocated an 24 25 amount equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in 26 calendar year 1994 (the total to be determined based on 27 the sum of 1994 on-track wagering for all organization 28 29 licensees issued organization licenses in both the 30 allocation year and the preceding year) multiplied by the total amount allocated for standardbred or thoroughbred 31 purses, provided that the first \$1,500,000 of the amount 32 allocated to standardbred purses under item (i) shall be 33 allocated to the Department of Agriculture to be expended 34

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1 with the assistance and advice of the Illinois 2 Standardbred Breeders Funds Advisory Board for the 3 purposes listed in subsection (g) of Section 31 of this 4 Act, before the amount allocated to standardbred purses 5 under item (i) is allocated to standardbred organization 6 licensees in the succeeding allocation year.

7 To the extent the excess amount of taxes and fees to be 8 collected and distributed to State and local governmental 9 authorities exceeds \$11 million, that excess amount shall be 10 collected and distributed to State and local authorities as 11 provided for under this Act.

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

13 (230 ILCS 5/27.2 new)

Sec. 27.2. Daily graduated tax. An organization licensee whose track facilities operated in a county with fewer than 400,000 inhabitants on or before June 1, 1986, shall be subject to a daily graduated tax of 1% of the first \$400,000 of daily pari-mutuel handle and 2% of such handle in excess of \$400,000.

20 <u>Every inter-track wagering licensee and inter-track</u> 21 <u>wagering location licensee shall be subject to a daily</u> 22 <u>graduated tax of 1% of the first \$400,000 of its daily</u> 23 <u>pari-mutuel handle and 2% of such handle in excess of</u> 24 <u>\$400,000.</u>

25 An organization licensee whose track facilities operated 26 in a county with fewer than 400,000 inhabitants on or before June 1, 1986, every inter-track wagering licensee and 27 inter-track wagering location licensee, shall pay as a 28 29 privilege tax on multiple wagers an amount equal to .75% of 30 all moneys wagered each day on such multiple wagers, plus an additional amount equal to 2.5% of the amount wagered each 31 day on any other multiple wager which involves a single 32 33 betting interest on 3 or more horses.

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

2 Sec. 28. Except as provided in subsection (g) of Section of this Act, moneys collected shall be distributed 3 27 4 according to the provisions of this Section 28.

(a) Thirty per cent of the total of all monies received 5 б by the State as privilege taxes shall be paid into the 7 Metropolitan Fair and Exposition Authority Reconstruction in the State treasury until such 8 Fund Fund contains sufficient money to pay in full, both principal and interest, 9 all of the outstanding bonds issued pursuant to the Fair and 10 11 Exposition Authority Reconstruction Act, approved July 31, 1967, as amended, and thereafter shall be paid into the 12 Metropolitan Exposition Auditorium and Office Building Fund 13 in the State Treasury. 14

(b) Four and one-half per cent of the total of all 15 16 monies received by the State as privilege taxes shall be paid into the State treasury into a special Fund to be known as 17 the Metropolitan Exposition, Auditorium, and Office Building 18 19 Fund.

Fifty per cent of the total of all monies received 20 (C) 21 by the State as privilege taxes under the provisions of this 22 Act shall be paid into the Agricultural Premium Fund.

23 Seven per cent of the total of all monies received (d) the State as privilege taxes shall be paid into the Fair 24 by 25 and Exposition Fund in the State treasury; provided, however, that when all bonds issued prior to July 1, 1984 by the 26 Metropolitan Fair and Exposition Authority shall have been 27 paid or payment shall have been provided for upon a refunding 28 29 of those bonds, thereafter 1/12 of \$1,665,662 of such monies 30 shall be paid each month into the Build Illinois Fund, and the remainder into the Fair and Exposition Fund. All excess 31 32 monies shall be allocated to the Department of Agriculture 33 for distribution to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act. 34

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(e) The monies provided for in Section 30 shall be paid
 into the Illinois Thoroughbred Breeders Fund.

3 (f) The monies provided for in Section 31 shall be paid4 into the Illinois Standardbred Breeders Fund.

5 (g) Until January 1, 2000, that part representing 1/2 of 6 the total breakage in Thoroughbred, Harness, Appaloosa, 7 Arabian, and Quarter Horse racing in the State shall be paid 8 into the Illinois Race Track Improvement Fund as established 9 in Section 32.

10 (g-5) Beginning July 1, 2002, that part representing 50%
11 of the total breakage in Thoroughbred, Harness, Appaloosa,
12 Arabian, and Quarter Horse racing in the State shall be paid
13 into the Illinois Race Track Improvement Fund as established
14 in Section 32.2.

(h) All other monies received by the Board under this 15 16 Act shall be paid into the General Revenue Fund of the State. salaries of the Board members, secretary, 17 (i) The stewards, directors of mutuels, 18 veterinarians, 19 representatives, accountants, clerks, stenographers, inspectors and other employees of the Board, and all expenses 20 21 of the Board incident to the administration of this Act,

23 incident to the taking of saliva and urine samples in 24 accordance with the rules and regulations of the Board shall 25 be paid out of the Agricultural Premium Fund.

26

22

(j) The Agricultural Premium Fund shall also be used:

including, but not limited to, all expenses and salaries

(1) for the expenses of operating the Illinois
State Fair and the DuQuoin State Fair, including the
payment of prize money or premiums;

30 (2) for the distribution to county fairs, 31 vocational agriculture section fairs, agricultural 32 societies, and agricultural extension clubs in accordance 33 with the Agricultural Fair Act, as amended;

34 (3) for payment of prize monies and premiums

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awarded and for expenses incurred in connection with the International Livestock Exposition and the Mid-Continent Livestock Exposition held in Illinois, which premiums, and awards must be approved, and paid by the Illinois Department of Agriculture;

6 (4) for personal service of county agricultural
7 advisors and county home advisors;

8 (5) for distribution to agricultural home economic 9 extension councils in accordance with "An Act in relation 10 to additional support and finance for the Agricultural 11 and Home Economic Extension Councils in the several 12 counties in this State and making an appropriation 13 therefor", approved July 24, 1967, as amended;

14 (6) for research on equine disease, including a15 development center therefor;

16 (7) for training scholarships for study on equine
17 diseases to students at the University of Illinois
18 College of Veterinary Medicine;

19 (8) for the rehabilitation, repair and maintenance 20 of the Illinois and DuQuoin State Fair Grounds and the 21 structures and facilities thereon and the construction of 22 permanent improvements on such Fair Grounds, including 23 such structures, facilities and property located on such 24 State Fair Grounds which are under the custody and 25 control of the Department of Agriculture;

26 (9) for the expenses of the Department of 27 Agriculture under Section 5-530 of the Departments of 28 State Government Law (20 ILCS 5/5-530);

(10) for the expenses of the Department of Commerce and Community Affairs under Sections 605-620, 605-625, and 605-630 of the Department of Commerce and Community Affairs Law (20 ILCS 605/605-620, 605/605-625, and 605/605-630);

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(11) for remodeling, expanding, and reconstructing

1 facilities destroyed by fire of any Fair and Exposition 2 Authority in counties with a population of 1,000,000 or more inhabitants; 3

4 (12) for the purpose of assisting in the care and general rehabilitation of disabled veterans of any war 5 and their surviving spouses and orphans; 6

7 (13) for expenses of the Department of State Police 8 for duties performed under this Act;

9 for the Department of Agriculture for soil (14)surveys and soil and water conservation purposes; 10

11 (15) for the Department of Agriculture for grants to the City of Chicago for conducting the Chicagofest. 12

To the extent that monies paid by the Board to the 13 (k) Agricultural Premium Fund are in the opinion of the Governor 14 15 in excess of the amount necessary for the purposes herein 16 stated, the Governor shall notify the Comptroller and the State Treasurer of such fact, who, upon receipt of such 17 notification, shall transfer such excess monies from the 18 19 Agricultural Premium Fund to the General Revenue Fund. (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 92-16, 20 eff. 6-28-01.)

22

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(230 ILCS 5/32.2)

23 Sec. 32.2. Illinois Race Track Improvement Fund. 24 (a) There is hereby created in the State Treasury a fund 25 to be known as the Illinois Race Track Improvement Fund, 26 referred to in this Section as the Fund, to consist of monies paid into it pursuant to Section 28. Except as provided in 27 subsection (q) of Section 27 of this Act, moneys credited to 28 29 the Fund shall be distributed by the Treasurer on order of 30 the Board. (b) Except as provided in subsection (g) of Section 28, 31

32 50% of the breakage of each meeting shall be collected by the 33 Department of Revenue and deposited with the State Treasurer

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<u>in an account established for each organization licensee who</u>
 <u>held such meeting at any track in a given racing year.</u>

3 (c) The Racing Board shall use this Fund to aid tracks 4 in improving their facilities. Expenditures from the Fund 5 shall be equitably distributed between frontside and backside improvements for each organization licensee, taking into 6 7 account the amount an organization licensee may spend or has 8 spent on frontside and backside improvements over the course 9 of a multi-year capital improvement plan, which plan shall be 10 updated each year and subject to the review and approval of 11 the Board. The Board shall have discretion to deny a request for reimbursement from the Fund if it determines that the 12 13 proposed expenditures are not consistent with the approved capital improvement plan. An organization licensee shall be 14 required to file an updated plan each year with any 15 16 application to conduct racing.

(d) Monies shall be distributed from the Fund to tracks 17 for the cost of erection, improving or acquisition of seating 18 stands, buildings or other structures, ground or track, for 19 the necessary purchase or required restoration of depreciable 20 21 property and equipment used in the operation of a race track, 22 or for the payment of the cost of amortization of debt contracted with the approval of the Board for any or all such 23 purposes. The fund shall also be used to reimburse race 24 25 tracks for the added expenses incurred when it is necessary to establish training facilities for horses eligible to 26 compete at operating race tracks due to the existence of an 27 overflow of eligible horses using the training facilities at 28 the operating tracks, or if it is determined by the Board to 29 be in the best interests of racing. 30

31 (e) The Board shall adopt procedural rules governing 32 information required, deadlines for filing, and types of 33 application forms to be observed by the tracks seeking moneys 34 from the Fund.

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1 (f) The Board shall keep accurate records of moneys 2 deposited in each account for each licensee. If in any given year a track does not tender any application for moneys from 3 4 the Fund or tenders an application which is not in accordance with the provisions of this Section the Department of Revenue 5 б shall allow such unexpended moneys to remain in the account for utilization at a later date in accordance with 7 subsections (c) through (e). 8 9 Section 15. The State Finance Act is amended by adding Sections 5.570 and 5.571 as follows: 10 (30 ILCS 105/5.570 new) 11 Sec. 5.570. The Illinois Race Track Improvement Fund. 12 13 (30 ILCS 105/5.571 new) Sec. 5.571. The Horse Racing Tax Allocation Fund. 14

15 (230 ILCS 5/32.1 rep.)

Section 20. The Illinois Horse Racing Act of 1975 is amended by repealing Section 32.1.

18 (230 ILCS 5/28.1 rep.)

Section 25. The Illinois Horse Racing Act of 1975 isamended by repealing Section 28.1.

Section 99. Effective date. This Act takes effect upon becoming law, except that Section 20 takes effect January 1, 23 2003.