



Rep. Chad Hays

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1 AMENDMENT TO SENATE BILL 1804

2 AMENDMENT NO. _____. Amend Senate Bill 1804 by replacing
3 everything after the enacting clause with the following:

4 "Section 3. The Illinois Horse Racing Act of 1975 is
5 amended by changing Sections 26, 26.8, 26.9, and 27 as follows:

6 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

7 Sec. 26. Wagering.

8 (a) Any licensee may conduct and supervise the pari-mutuel
9 system of wagering, as defined in Section 3.12 of this Act, on
10 horse races conducted by an Illinois organization licensee or
11 conducted at a racetrack located in another state or country
12 and televised in Illinois in accordance with subsection (g) of
13 Section 26 of this Act. Subject to the prior consent of the
14 Board, licensees may supplement any pari-mutuel pool in order
15 to guarantee a minimum distribution. Such pari-mutuel method of
16 wagering shall not, under any circumstances if conducted under

1 the provisions of this Act, be held or construed to be
2 unlawful, other statutes of this State to the contrary
3 notwithstanding. Subject to rules for advance wagering
4 promulgated by the Board, any licensee may accept wagers in
5 advance of the day of the race wagered upon occurs.

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

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

19 (c) Until January 1, 2000, the sum held by any licensee for
20 payment of outstanding pari-mutuel tickets, if unclaimed prior
21 to December 31 of the next year, shall be retained by the
22 licensee for payment of such tickets until that date. Within 10
23 days thereafter, the balance of such sum remaining unclaimed,
24 less any uncashed supplements contributed by such licensee for
25 the purpose of guaranteeing minimum distributions of any
26 pari-mutuel pool, shall be paid to the Illinois Veterans'

1 Rehabilitation Fund of the State treasury, except as provided
2 in subsection (g) of Section 27 of this Act.

3 (c-5) Beginning January 1, 2000, the sum held by any
4 licensee for payment of outstanding pari-mutuel tickets, if
5 unclaimed prior to December 31 of the next year, shall be
6 retained by the licensee for payment of such tickets until that
7 date. Within 10 days thereafter, the balance of such sum
8 remaining unclaimed, less any uncashed supplements contributed
9 by such licensee for the purpose of guaranteeing minimum
10 distributions of any pari-mutuel pool, shall be evenly
11 distributed to the purse account of the organization licensee
12 and the organization licensee.

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

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

1 (f) Notwithstanding the other provisions of this Act, an
2 organization licensee may contract with an entity in another
3 state or country to permit any legal wagering entity in another
4 state or country to accept wagers solely within such other
5 state or country on races conducted by the organization
6 licensee in this State. Beginning January 1, 2000, these wagers
7 shall not be subject to State taxation. Until January 1, 2000,
8 when the out-of-State entity conducts a pari-mutuel pool
9 separate from the organization licensee, a privilege tax equal
10 to 7 1/2% of all monies received by the organization licensee
11 from entities in other states or countries pursuant to such
12 contracts is imposed on the organization licensee, and such
13 privilege tax shall be remitted to the Department of Revenue
14 within 48 hours of receipt of the moneys from the simulcast.
15 When the out-of-State entity conducts a combined pari-mutuel
16 pool with the organization licensee, the tax shall be 10% of
17 all monies received by the organization licensee with 25% of
18 the receipts from this 10% tax to be distributed to the county
19 in which the race was conducted.

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

1 established by other states.

2 (g) A host track may accept interstate simulcast wagers on
3 horse races conducted in other states or countries and shall
4 control the number of signals and types of breeds of racing in
5 its simulcast program, subject to the disapproval of the Board.
6 The Board may prohibit a simulcast program only if it finds
7 that the simulcast program is clearly adverse to the integrity
8 of racing. The host track simulcast program shall include the
9 signal of live racing of all organization licensees. All
10 non-host licensees and advance deposit wagering licensees
11 shall carry the signal of and accept wagers on live racing of
12 all organization licensees. Advance deposit wagering licensees
13 shall not be permitted to accept out-of-state wagers on any
14 Illinois signal provided pursuant to this Section without the
15 approval and consent of the organization licensee providing the
16 signal. For one year after August 15, 2014 (the effective date
17 of Public Act 98-968) ~~this amendatory Act of the 98th General~~
18 ~~Assembly~~, non-host licensees may carry the host track simulcast
19 program and shall accept wagers on all races included as part
20 of the simulcast program of horse races conducted at race
21 tracks located within North America upon which wagering is
22 permitted. For a period of one year after August 15, 2014 (the
23 effective date of Public Act 98-968) ~~this amendatory Act of the~~
24 ~~98th General Assembly~~, on horse races conducted at race tracks
25 located outside of North America, non-host licensees may accept
26 wagers on all races included as part of the simulcast program

1 upon which wagering is permitted. Beginning August 15, 2015
2 (one year after the effective date of Public Act 98-968) ~~this~~
3 ~~amendatory Act of the 98th General Assembly,~~ non-host licensees
4 may carry the host track simulcast program and shall accept
5 wagers on all races included as part of the simulcast program
6 upon which wagering is permitted. All organization licensees
7 shall provide their live signal to all advance deposit wagering
8 licensees for a simulcast commission fee not to exceed 6% of
9 the advance deposit wagering licensee's Illinois handle on the
10 organization licensee's signal without prior approval by the
11 Board. The Board may adopt rules under which it may permit
12 simulcast commission fees in excess of 6%. The Board shall
13 adopt rules limiting the interstate commission fees charged to
14 an advance deposit wagering licensee. The Board shall adopt
15 rules regarding advance deposit wagering on interstate
16 simulcast races that shall reflect, among other things, the
17 General Assembly's desire to maximize revenues to the State,
18 horsemen purses, and organizational licensees. However,
19 organization licensees providing live signals pursuant to the
20 requirements of this subsection (g) may petition the Board to
21 withhold their live signals from an advance deposit wagering
22 licensee if the organization licensee discovers and the Board
23 finds reputable or credible information that the advance
24 deposit wagering licensee is under investigation by another
25 state or federal governmental agency, the advance deposit
26 wagering licensee's license has been suspended in another

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

22 Notwithstanding any other provision of this Act, through
23 December 31, 2021 ~~2018~~, an organization licensee, with the
24 consent of the horsemen association representing the largest
25 number of owners, trainers, jockeys, or standardbred drivers
26 who race horses at that organization licensee's racing meeting,

1 may maintain a system whereby advance deposit wagering may take
2 place or an organization licensee, with the consent of the
3 horsemen association representing the largest number of
4 owners, trainers, jockeys, or standardbred drivers who race
5 horses at that organization licensee's racing meeting, may
6 contract with another person to carry out a system of advance
7 deposit wagering. Such consent may not be unreasonably
8 withheld. Only with respect to an appeal to the Board that
9 consent for an organization licensee that maintains its own
10 advance deposit wagering system is being unreasonably
11 withheld, the Board shall issue a final order within 30 days
12 after initiation of the appeal, and the organization licensee's
13 advance deposit wagering system may remain operational during
14 that 30-day period. The actions of any organization licensee
15 who conducts advance deposit wagering or any person who has a
16 contract with an organization licensee to conduct advance
17 deposit wagering who conducts advance deposit wagering on or
18 after January 1, 2013 and prior to June 7, 2013 (the effective
19 date of Public Act 98-18) ~~this amendatory Act of the 98th~~
20 ~~General Assembly~~ taken in reliance on the changes made to this
21 subsection (g) by Public Act 98-18 ~~this amendatory Act of the~~
22 ~~98th General Assembly~~ are hereby validated, provided payment of
23 all applicable pari-mutuel taxes are remitted to the Board. All
24 advance deposit wagers placed from within Illinois must be
25 placed through a Board-approved advance deposit wagering
26 licensee; no other entity may accept an advance deposit wager

1 from a person within Illinois. All advance deposit wagering is
2 subject to any rules adopted by the Board. The Board may adopt
3 rules necessary to regulate advance deposit wagering through
4 the use of emergency rulemaking in accordance with Section 5-45
5 of the Illinois Administrative Procedure Act. The General
6 Assembly finds that the adoption of rules to regulate advance
7 deposit wagering is deemed an emergency and necessary for the
8 public interest, safety, and welfare. An advance deposit
9 wagering licensee may retain all moneys as agreed to by
10 contract with an organization licensee. Any moneys retained by
11 the organization licensee from advance deposit wagering, not
12 including moneys retained by the advance deposit wagering
13 licensee, shall be paid 50% to the organization licensee's
14 purse account and 50% to the organization licensee. With the
15 exception of any organization licensee that is owned by a
16 publicly traded company that is incorporated in a state other
17 than Illinois and advance deposit wagering licensees under
18 contract with such organization licensees, organization
19 licensees that maintain advance deposit wagering systems and
20 advance deposit wagering licensees that contract with
21 organization licensees shall provide sufficiently detailed
22 monthly accountings to the horsemen association representing
23 the largest number of owners, trainers, jockeys, or
24 standardbred drivers who race horses at that organization
25 licensee's racing meeting so that the horsemen association, as
26 an interested party, can confirm the accuracy of the amounts

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

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

1 supplemental interstate simulcast may be transmitted from
2 an inter-track ~~intertrack~~ wagering licensee to its
3 affiliated non-host licensees. The interstate commission
4 fee for a supplemental interstate simulcast shall be paid
5 by the non-host licensee and its affiliated non-host
6 licensees receiving the simulcast.

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

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

1 the sums permitted to be retained pursuant to this
2 subsection, each inter-track ~~intertrack~~ wagering location
3 licensee shall pay 1% of the pari-mutuel handle wagered on
4 simulcast wagering to the Horse Racing Tax Allocation Fund,
5 subject to the provisions of subparagraph (B) of paragraph
6 (11) of subsection (h) of Section 26 of this Act.

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

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

1 (A) For interstate simulcast wagers made at a host
2 track, 50% to the host track and 50% to purses at the
3 host track.

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

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

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

1 license as follows:

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

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

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

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

26 (E) Between the third Saturday in February and

1 December 31, when the interstate simulcast occurs
2 between the hours of 6:30 p.m. and 6:30 a.m., the purse
3 share to its standardbred purse account.

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

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

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

1 Fund. The moneys deposited pursuant to this
2 subparagraph (B) shall be allocated as provided by the
3 Department of Agriculture, with the advice and
4 assistance of the Illinois Standardbred Breeders Fund
5 Advisory Board.

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

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

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

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

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

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

22 (B) Twenty percent to the Illinois Colt Stakes
23 Purse Distribution Fund.

24 Failure to make the payment to the Illinois Colt Stakes
25 Purse Distribution Fund before January 1, 2002 shall result
26 in the immediate revocation of the licensee's organization

1 license, inter-track wagering license, and inter-track
2 wagering location license.

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

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

26 (8) Notwithstanding any provision in this Act to the

1 contrary, an organization licensee from a track located in
2 a county with a population in excess of 230,000 and that
3 borders the Mississippi River and its affiliated non-host
4 licensees shall not be entitled to share in any retention
5 generated on racing, inter-track wagering, or simulcast
6 wagering at any other Illinois wagering facility.

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

22 (9) (Blank).

23 (10) (Blank).

24 (11) (Blank).

25 (12) The Board shall have authority to compel all host
26 tracks to receive the simulcast of any or all races

1 conducted at the Springfield or DuQuoin State fairgrounds
2 and include all such races as part of their simulcast
3 programs.

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

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

24 (h) The Board may approve and license the conduct of
25 inter-track wagering and simulcast wagering by inter-track
26 wagering licensees and inter-track wagering location licensees

1 subject to the following terms and conditions:

2 (1) Any person licensed to conduct a race meeting (i)
3 at a track where 60 or more days of racing were conducted
4 during the immediately preceding calendar year or where
5 over the 5 immediately preceding calendar years an average
6 of 30 or more days of racing were conducted annually may be
7 issued an inter-track wagering license; (ii) at a track
8 located in a county that is bounded by the Mississippi
9 River, which has a population of less than 150,000
10 according to the 1990 decennial census, and an average of
11 at least 60 days of racing per year between 1985 and 1993
12 may be issued an inter-track wagering license; or (iii) at
13 a track located in Madison County that conducted at least
14 100 days of live racing during the immediately preceding
15 calendar year may be issued an inter-track wagering
16 license, unless a lesser schedule of live racing is the
17 result of (A) weather, unsafe track conditions, or other
18 acts of God; (B) an agreement between the organization
19 licensee and the associations representing the largest
20 number of owners, trainers, jockeys, or standardbred
21 drivers who race horses at that organization licensee's
22 racing meeting; or (C) a finding by the Board of
23 extraordinary circumstances and that it was in the best
24 interest of the public and the sport to conduct fewer than
25 100 days of live racing. Any such person having operating
26 control of the racing facility may receive inter-track

1 wagering location licenses. An eligible race track located
2 in a county that has a population of more than 230,000 and
3 that is bounded by the Mississippi River may establish up
4 to 9 inter-track wagering locations, ~~and~~ and an eligible race
5 track located in Stickney Township in Cook County may
6 establish up to 16 inter-track wagering locations, ~~and~~ and an
7 eligible race track located in Palatine Township in Cook
8 County may establish up to 18 inter-track wagering
9 locations. An application for said license shall be filed
10 with the Board prior to such dates as may be fixed by the
11 Board. With an application for an inter-track wagering
12 location license there shall be delivered to the Board a
13 certified check or bank draft payable to the order of the
14 Board for an amount equal to \$500. The application shall be
15 on forms prescribed and furnished by the Board. The
16 application shall comply with all other rules, regulations
17 and conditions imposed by the Board in connection
18 therewith.

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

1 by the Board.

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

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

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

22 (6) All wagering under such license is subject to this
23 Act and to the rules and regulations from time to time
24 prescribed by the Board, and every such license issued by
25 the Board shall contain a recital to that effect.

26 (7) An inter-track wagering licensee or inter-track

1 wagering location licensee may accept wagers at the track
2 or location where it is licensed, or as otherwise provided
3 under this Act.

4 (8) Inter-track wagering or simulcast wagering shall
5 not be conducted at any track less than 5 miles from a
6 track at which a racing meeting is in progress.

7 (8.1) Inter-track wagering location licensees who
8 derive their licenses from a particular organization
9 licensee shall conduct inter-track wagering and simulcast
10 wagering only at locations that are within 160 miles of
11 that race track where the particular organization licensee
12 is licensed to conduct racing. However, inter-track
13 wagering and simulcast wagering shall not be conducted by
14 those licensees at any location within 5 miles of any race
15 track at which a horse race meeting has been licensed in
16 the current year, unless the person having operating
17 control of such race track has given its written consent to
18 such inter-track wagering location licensees, which
19 consent must be filed with the Board at or prior to the
20 time application is made. In the case of any inter-track
21 wagering location licensee initially licensed after
22 December 31, 2013, inter-track wagering and simulcast
23 wagering shall not be conducted by those inter-track
24 wagering location licensees that are located outside the
25 City of Chicago at any location within 8 miles of any race
26 track at which a horse race meeting has been licensed in

1 the current year, unless the person having operating
2 control of such race track has given its written consent to
3 such inter-track wagering location licensees, which
4 consent must be filed with the Board at or prior to the
5 time application is made.

6 (8.2) Inter-track wagering or simulcast wagering shall
7 not be conducted by an inter-track wagering location
8 licensee at any location within 500 feet of an existing
9 church or existing school, nor within 500 feet of the
10 residences of more than 50 registered voters without
11 receiving written permission from a majority of the
12 registered voters at such residences. Such written
13 permission statements shall be filed with the Board. The
14 distance of 500 feet shall be measured to the nearest part
15 of any building used for worship services, education
16 programs, residential purposes, or conducting inter-track
17 wagering by an inter-track wagering location licensee, and
18 not to property boundaries. However, inter-track wagering
19 or simulcast wagering may be conducted at a site within 500
20 feet of a church, school or residences of 50 or more
21 registered voters if such church, school or residences have
22 been erected or established, or such voters have been
23 registered, after the Board issues the original
24 inter-track wagering location license at the site in
25 question. Inter-track wagering location licensees may
26 conduct inter-track wagering and simulcast wagering only

1 in areas that are zoned for commercial or manufacturing
2 purposes or in areas for which a special use has been
3 approved by the local zoning authority. However, no license
4 to conduct inter-track wagering and simulcast wagering
5 shall be granted by the Board with respect to any
6 inter-track wagering location within the jurisdiction of
7 any local zoning authority which has, by ordinance or by
8 resolution, prohibited the establishment of an inter-track
9 wagering location within its jurisdiction. However,
10 inter-track wagering and simulcast wagering may be
11 conducted at a site if such ordinance or resolution is
12 enacted after the Board licenses the original inter-track
13 wagering location licensee for the site in question.

14 (9) (Blank).

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

25 (10.1) Except as provided in subsection (g) of Section
26 27 of this Act, inter-track wagering location licensees

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

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

25 (A) That portion of all moneys wagered on
26 standardbred racing that is required under this Act to

1 be paid to purses shall be paid to purses for
2 standardbred races.

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

7 (11) (A) After payment of the privilege or pari-mutuel
8 tax, any other applicable taxes, and the costs and expenses
9 in connection with the gathering, transmission, and
10 dissemination of all data necessary to the conduct of
11 inter-track wagering, the remainder of the monies retained
12 under either Section 26 or Section 26.2 of this Act by the
13 inter-track wagering licensee on inter-track wagering
14 shall be allocated with 50% to be split between the 2
15 participating licensees and 50% to purses, except that an
16 inter-track ~~intertrack~~ wagering licensee that derives its
17 license from a track located in a county with a population
18 in excess of 230,000 and that borders the Mississippi River
19 shall not divide any remaining retention with the Illinois
20 organization licensee that provides the race or races, and
21 an inter-track ~~intertrack~~ wagering licensee that accepts
22 wagers on races conducted by an organization licensee that
23 conducts a race meet in a county with a population in
24 excess of 230,000 and that borders the Mississippi River
25 shall not divide any remaining retention with that
26 organization licensee.

1 (B) From the sums permitted to be retained pursuant to
2 this Act each inter-track wagering location licensee shall
3 pay (i) the privilege or pari-mutuel tax to the State; (ii)
4 4.75% of the pari-mutuel handle on inter-track ~~intertrack~~
5 wagering at such location on races as purses, except that
6 an inter-track ~~intertrack~~ wagering location licensee that
7 derives its license from a track located in a county with a
8 population in excess of 230,000 and that borders the
9 Mississippi River shall retain all purse moneys for its own
10 purse account consistent with distribution set forth in
11 this subsection (h), and inter-track ~~intertrack~~ wagering
12 location licensees that accept wagers on races conducted by
13 an organization licensee located in a county with a
14 population in excess of 230,000 and that borders the
15 Mississippi River shall distribute all purse moneys to
16 purses at the operating host track; (iii) until January 1,
17 2000, except as provided in subsection (g) of Section 27 of
18 this Act, 1% of the pari-mutuel handle wagered on
19 inter-track wagering and simulcast wagering at each
20 inter-track wagering location licensee facility to the
21 Horse Racing Tax Allocation Fund, provided that, to the
22 extent the total amount collected and distributed to the
23 Horse Racing Tax Allocation Fund under this subsection (h)
24 during any calendar year exceeds the amount collected and
25 distributed to the Horse Racing Tax Allocation Fund during
26 calendar year 1994, that excess amount shall be

1 redistributed (I) to all inter-track wagering location
2 licensees, based on each licensee's pro-rata share of the
3 total handle from inter-track wagering and simulcast
4 wagering for all inter-track wagering location licensees
5 during the calendar year in which this provision is
6 applicable; then (II) the amounts redistributed to each
7 inter-track wagering location licensee as described in
8 subpart (I) shall be further redistributed as provided in
9 subparagraph (B) of paragraph (5) of subsection (g) of this
10 Section 26 provided first, that the shares of those
11 amounts, which are to be redistributed to the host track or
12 to purses at the host track under subparagraph (B) of
13 paragraph (5) of subsection (g) of this Section 26 shall be
14 redistributed based on each host track's pro rata share of
15 the total inter-track wagering and simulcast wagering
16 handle at all host tracks during the calendar year in
17 question, and second, that any amounts redistributed as
18 described in part (I) to an inter-track wagering location
19 licensee that accepts wagers on races conducted by an
20 organization licensee that conducts a race meet in a county
21 with a population in excess of 230,000 and that borders the
22 Mississippi River shall be further redistributed as
23 provided in subparagraphs (D) and (E) of paragraph (7) of
24 subsection (g) of this Section 26, with the portion of that
25 further redistribution allocated to purses at that
26 organization licensee to be divided between standardbred

1 purses and thoroughbred purses based on the amounts
2 otherwise allocated to purses at that organization
3 licensee during the calendar year in question; and (iv) 8%
4 of the pari-mutuel handle on inter-track wagering wagered
5 at such location to satisfy all costs and expenses of
6 conducting its wagering. The remainder of the monies
7 retained by the inter-track wagering location licensee
8 shall be allocated 40% to the location licensee and 60% to
9 the organization licensee which provides the Illinois
10 races to the location, except that an inter-track
11 ~~intertrack~~ wagering location licensee that derives its
12 license from a track located in a county with a population
13 in excess of 230,000 and that borders the Mississippi River
14 shall not divide any remaining retention with the
15 organization licensee that provides the race or races and
16 an inter-track ~~intertrack~~ wagering location licensee that
17 accepts wagers on races conducted by an organization
18 licensee that conducts a race meet in a county with a
19 population in excess of 230,000 and that borders the
20 Mississippi River shall not divide any remaining retention
21 with the organization licensee. Notwithstanding the
22 provisions of clauses (ii) and (iv) of this paragraph, in
23 the case of the additional inter-track wagering location
24 licenses authorized under paragraph (1) of this subsection
25 (h) by Public Act 87-110 ~~this amendatory Act of 1991~~, those
26 licensees shall pay the following amounts as purses: during

1 the first 12 months the licensee is in operation, 5.25% of
2 the pari-mutuel handle wagered at the location on races;
3 during the second 12 months, 5.25%; during the third 12
4 months, 5.75%; during the fourth 12 months, 6.25%; and
5 during the fifth 12 months and thereafter, 6.75%. The
6 following amounts shall be retained by the licensee to
7 satisfy all costs and expenses of conducting its wagering:
8 during the first 12 months the licensee is in operation,
9 8.25% of the pari-mutuel handle wagered at the location;
10 during the second 12 months, 8.25%; during the third 12
11 months, 7.75%; during the fourth 12 months, 7.25%; and
12 during the fifth 12 months and thereafter, 6.75%. For
13 additional inter-track ~~intertrack~~ wagering location
14 licensees authorized under Public Act 89-16 ~~this~~
15 ~~amendatory Act of 1995~~, purses for the first 12 months the
16 licensee is in operation shall be 5.75% of the pari-mutuel
17 wagered at the location, purses for the second 12 months
18 the licensee is in operation shall be 6.25%, and purses
19 thereafter shall be 6.75%. For additional inter-track
20 ~~intertrack~~ location licensees authorized under Public Act
21 89-16 ~~this amendatory Act of 1995~~, the licensee shall be
22 allowed to retain to satisfy all costs and expenses: 7.75%
23 of the pari-mutuel handle wagered at the location during
24 its first 12 months of operation, 7.25% during its second
25 12 months of operation, and 6.75% thereafter.

26 (C) There is hereby created the Horse Racing Tax

1 Allocation Fund which shall remain in existence until
2 December 31, 1999. Moneys remaining in the Fund after
3 December 31, 1999 shall be paid into the General Revenue
4 Fund. Until January 1, 2000, all monies paid into the Horse
5 Racing Tax Allocation Fund pursuant to this paragraph (11)
6 by inter-track wagering location licensees located in park
7 districts of 500,000 population or less, or in a
8 municipality that is not included within any park district
9 but is included within a conservation district and is the
10 county seat of a county that (i) is contiguous to the state
11 of Indiana and (ii) has a 1990 population of 88,257
12 according to the United States Bureau of the Census, and
13 operating on May 1, 1994 shall be allocated by
14 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 of
19 Agriculture upon the advice of a 9-member committee
20 appointed by the Governor consisting of the following
21 members: the Director of Agriculture, who shall serve
22 as chairman; 2 representatives of organization
23 licensees conducting thoroughbred race meetings in
24 this State, recommended by those licensees; 2
25 representatives of organization licensees conducting
26 standardbred race meetings in this State, recommended

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

26 Four-sevenths to park districts or municipalities

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

1 licensee within the park district or conservation
2 district or municipality for the Fund. Monies that were
3 paid into the Horse Racing Tax Allocation Fund before
4 August 9, 1991 (the effective date of Public Act
5 87-110) ~~this amendatory Act of 1991~~ by an inter-track
6 wagering location licensee located in a municipality
7 that is not included within any park district but is
8 included within a conservation district as provided in
9 this paragraph shall, as soon as practicable after
10 August 9, 1991 (the effective date of Public Act
11 87-110) ~~this amendatory Act of 1991~~, be allocated and
12 paid to that conservation district as provided in this
13 paragraph. Any park district or municipality not
14 maintaining a museum may deposit the monies in the
15 corporate fund of the park district or municipality
16 where the inter-track wagering location is located, to
17 be used for general purposes; and

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

25 Until January 1, 2000, all other monies paid into the
26 Horse Racing Tax Allocation Fund pursuant to this paragraph

1 (11) shall be allocated by appropriation as follows:

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

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

13 Four-sevenths to museums and aquariums located in
14 park districts of over 500,000 population; provided
15 that the monies are distributed in accordance with the
16 previous year's distribution of the maintenance tax
17 for such museums and aquariums as provided in Section 2
18 of the Park District Aquarium and Museum Act; and

19 One-seventh to the Agricultural Premium Fund to be
20 used for distribution to agricultural home economics
21 extension councils in accordance with "An Act in
22 relation to additional support and finances for the
23 Agricultural and Home Economic Extension Councils in
24 the several counties of this State and making an
25 appropriation therefor", approved July 24, 1967. This
26 subparagraph (C) shall be inoperative and of no force

1 and effect on and after January 1, 2000.

2 (D) Except as provided in paragraph (11) of this
3 subsection (h), with respect to purse allocation from
4 inter-track ~~intertrack~~ wagering, the monies so
5 retained shall be divided as follows:

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

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

26 (iii) If the inter-track wagering is being

1 conducted by an inter-track wagering location
2 licensee, except an inter-track ~~intertrack~~
3 wagering location licensee that derives its
4 license from an organization licensee located in a
5 county with a population in excess of 230,000 and
6 bounded by the Mississippi River, the entire purse
7 allocation for Illinois races shall be to purses at
8 the track where the race meeting being wagered on
9 is being held.

10 (12) The Board shall have all powers necessary and
11 proper to fully supervise and control the conduct of
12 inter-track wagering and simulcast wagering by inter-track
13 wagering licensees and inter-track wagering location
14 licensees, including, but not limited to the following:

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

24 (B) The Board, and any person or persons to whom it
25 delegates this power, is vested with the power to enter
26 the facilities of any licensee to determine whether

1 there has been compliance with the provisions of this
2 Act and the rules and regulations relating to the
3 conduct of such wagering.

4 (C) The Board, and any person or persons to whom it
5 delegates this power, may eject or exclude from any
6 licensee's facilities, any person whose conduct or
7 reputation is such that his presence on such premises
8 may, in the opinion of the Board, call into the
9 question the honesty and integrity of, or interfere
10 with the orderly conduct of such wagering; provided,
11 however, that no person shall be excluded or ejected
12 from such premises solely on the grounds of race,
13 color, creed, national origin, ancestry, or sex.

14 (D) (Blank).

15 (E) The Board is vested with the power to appoint
16 delegates to execute any of the powers granted to it
17 under this Section for the purpose of administering
18 this wagering and any rules and regulations
19 promulgated in accordance with this Act.

20 (F) The Board shall name and appoint a State
21 director of this wagering who shall be a representative
22 of the Board and whose duty it shall be to supervise
23 the conduct of inter-track wagering as may be provided
24 for by the rules and regulations of the Board; such
25 rules and regulation shall specify the method of
26 appointment and the Director's powers, authority and

1 duties.

2 (G) The Board is vested with the power to impose
3 civil penalties of up to \$5,000 against individuals and
4 up to \$10,000 against licensees for each violation of
5 any provision of this Act relating to the conduct of
6 this wagering, any rules adopted by the Board, any
7 order of the Board or any other action which in the
8 Board's discretion, is a detriment or impediment to
9 such wagering.

10 (13) The Department of Agriculture may enter into
11 agreements with licensees authorizing such licensees to
12 conduct inter-track wagering on races to be held at the
13 licensed race meetings conducted by the Department of
14 Agriculture. Such agreement shall specify the races of the
15 Department of Agriculture's licensed race meeting upon
16 which the licensees will conduct wagering. In the event
17 that a licensee conducts inter-track pari-mutuel wagering
18 on races from the Illinois State Fair or DuQuoin State Fair
19 which are in addition to the licensee's previously approved
20 racing program, those races shall be considered a separate
21 racing day for the purpose of determining the daily handle
22 and computing the privilege or pari-mutuel tax on that
23 daily handle as provided in Sections 27 and 27.1. Such
24 agreements shall be approved by the Board before such
25 wagering may be conducted. In determining whether to grant
26 approval, the Board shall give due consideration to the

1 best interests of the public and of horse racing. The
2 provisions of paragraphs (1), (8), (8.1), and (8.2) of
3 subsection (h) of this Section which are not specified in
4 this paragraph (13) shall not apply to licensed race
5 meetings conducted by the Department of Agriculture at the
6 Illinois State Fair in Sangamon County or the DuQuoin State
7 Fair in Perry County, or to any wagering conducted on those
8 race meetings.

9 (14) An inter-track wagering location license
10 authorized by the Board in 2016 that is owned and operated
11 by a race track in Rock Island County shall be transferred
12 to a commonly owned race track in Cook County on August 12,
13 2016 (the effective date of Public Act 99-757) ~~this~~
14 ~~amendatory Act of the 99th General Assembly~~. The licensee
15 shall retain its status in relation to purse distribution
16 under paragraph (11) of this subsection (h) following the
17 transfer to the new entity. The pari-mutuel tax credit
18 under Section 32.1 shall not be applied toward any
19 pari-mutuel tax obligation of the inter-track wagering
20 location licensee of the license that is transferred under
21 this paragraph (14).

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

26 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 98-968,

1 eff. 8-15-14; 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;
2 revised 9-14-16.)

3 (230 ILCS 5/26.8)

4 Sec. 26.8. Beginning on February 1, 2014 and through
5 December 31, 2021 ~~2018~~, each wagering licensee may impose a
6 surcharge of up to 0.5% on winning wagers and winnings from
7 wagers. The surcharge shall be deducted from winnings prior to
8 payout. All amounts collected from the imposition of this
9 surcharge shall be evenly distributed to the organization
10 licensee and the purse account of the organization licensee
11 with which the licensee is affiliated. The amounts distributed
12 under this Section shall be in addition to the amounts paid
13 pursuant to paragraph (10) of subsection (h) of Section 26,
14 Section 26.3, Section 26.4, Section 26.5, and Section 26.7.

15 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

16 (230 ILCS 5/26.9)

17 Sec. 26.9. Beginning on February 1, 2014 and through
18 December 31, 2021 ~~2018~~, in addition to the surcharge imposed in
19 Sections 26.3, 26.4, 26.5, 26.7, and 26.8 of this Act, each
20 licensee shall impose a surcharge of 0.2% on winning wagers and
21 winnings from wagers. The surcharge shall be deducted from
22 winnings prior to payout. All amounts collected from the
23 surcharges imposed under this Section shall be remitted to the
24 Board. From amounts collected under this Section, the Board

1 shall deposit an amount not to exceed \$100,000 annually into
2 the Quarter Horse Purse Fund and all remaining amounts into the
3 Horse Racing Fund.

4 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

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

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

23 In addition, every organization licensee, except as
24 provided in Section 27.1 of this Act, which conducts multiple
25 wagering shall pay, until January 1, 2000, as a privilege tax

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

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

11 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
12 at the rate of 1.5% of the daily pari-mutuel handle is imposed
13 at all pari-mutuel wagering facilities and on advance deposit
14 wagering from a location other than a wagering facility, except
15 as otherwise provided for in this subsection (a-5). In addition
16 to the pari-mutuel tax imposed on advance deposit wagering
17 pursuant to this subsection (a-5), beginning on August 24, 2012
18 (the effective date of Public Act 97-1060) and through December
19 31, 2021 ~~2018~~, an additional pari-mutuel tax at the rate of
20 0.25% shall be imposed on advance deposit wagering. Until
21 August 25, 2012, the additional 0.25% pari-mutuel tax imposed
22 on advance deposit wagering by Public Act 96-972 shall be
23 deposited into the Quarter Horse Purse Fund, which shall be
24 created as a non-appropriated trust fund administered by the
25 Board for grants to thoroughbred organization licensees for
26 payment of purses for quarter horse races conducted by the

1 organization licensee. Beginning on August 26, 2012, the
2 additional 0.25% pari-mutuel tax imposed on advance deposit
3 wagering shall be deposited into the Standardbred Purse Fund,
4 which shall be created as a non-appropriated trust fund
5 administered by the Board, for grants to the standardbred
6 organization licensees for payment of purses for standardbred
7 horse races conducted by the organization licensee.
8 Thoroughbred organization licensees may petition the Board to
9 conduct quarter horse racing and receive purse grants from the
10 Quarter Horse Purse Fund. The Board shall have complete
11 discretion in distributing the Quarter Horse Purse Fund to the
12 petitioning organization licensees. Beginning on July 26, 2010
13 (the effective date of Public Act 96-1287), a pari-mutuel tax
14 at the rate of 0.75% of the daily pari-mutuel handle is imposed
15 at a pari-mutuel facility whose license is derived from a track
16 located in a county that borders the Mississippi River and
17 conducted live racing in the previous year. The pari-mutuel tax
18 imposed by this subsection (a-5) shall be remitted to the
19 Department of Revenue within 48 hours after the close of the
20 racing day upon which it is assessed or within such other time
21 as the Board prescribes.

22 (b) On or before December 31, 1999, in the event that any
23 organization licensee conducts 2 separate programs of races on
24 any day, each such program shall be considered a separate
25 racing day for purposes of determining the daily handle and
26 computing the privilege tax on such daily handle as provided in

1 subsection (a) of this Section.

2 (c) Licensees shall at all times keep accurate books and
3 records of all monies wagered on each day of a race meeting and
4 of the taxes paid to the Department of Revenue under the
5 provisions of this Section. The Board or its duly authorized
6 representative or representatives shall at all reasonable
7 times have access to such records for the purpose of examining
8 and checking the same and ascertaining whether the proper
9 amount of taxes is being paid as provided. The Board shall
10 require verified reports and a statement of the total of all
11 monies wagered daily at each wagering facility upon which the
12 taxes are assessed and may prescribe forms upon which such
13 reports and statement shall be made.

14 (d) Any licensee failing or refusing to pay the amount of
15 any tax due under this Section shall be guilty of a business
16 offense and upon conviction shall be fined not more than \$5,000
17 in addition to the amount found due as tax under this Section.
18 Each day's violation shall constitute a separate offense. All
19 fines paid into Court by a licensee hereunder shall be
20 transmitted and paid over by the Clerk of the Court to the
21 Board.

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

25 (f) No other license fee, privilege tax, excise tax or
26 racing fee shall be assessed or collected from any such

1 licensee by units of local government except as provided in
2 paragraph 10.1 of subsection (h) and subsection (f) of Section
3 26 of this Act. However, any municipality that has a Board
4 licensed horse race meeting at a race track wholly within its
5 corporate boundaries or a township that has a Board licensed
6 horse race meeting at a race track wholly within the
7 unincorporated area of the township may charge a local
8 amusement tax not to exceed 10¢ per admission to such horse
9 race meeting by the enactment of an ordinance. However, any
10 municipality or county that has a Board licensed inter-track
11 wagering location facility wholly within its corporate
12 boundaries may each impose an admission fee not to exceed \$1.00
13 per admission to such inter-track wagering location facility,
14 so that a total of not more than \$2.00 per admission may be
15 imposed. Except as provided in subparagraph (g) of Section 27
16 of this Act, the inter-track wagering location licensee shall
17 collect any and all such fees and within 48 hours remit the
18 fees to the Board, which shall, pursuant to rule, cause the
19 fees to be distributed to the county or municipality.

20 (g) Notwithstanding any provision in this Act to the
21 contrary, if in any calendar year the total taxes and fees
22 required to be collected from licensees and distributed under
23 this Act to all State and local governmental authorities
24 exceeds the amount of such taxes and fees distributed to each
25 State and local governmental authority to which each State and
26 local governmental authority was entitled under this Act for

1 calendar year 1994, then the first \$11 million of that excess
2 amount shall be allocated at the earliest possible date for
3 distribution as purse money for the succeeding calendar year.
4 Upon reaching the 1994 level, and until the excess amount of
5 taxes and fees exceeds \$11 million, the Board shall direct all
6 licensees to cease paying the subject taxes and fees and the
7 Board shall direct all licensees to allocate any such excess
8 amount for purses as follows:

9 (i) the excess amount shall be initially divided
10 between thoroughbred and standardbred purses based on the
11 thoroughbred's and standardbred's respective percentages
12 of total Illinois live wagering in calendar year 1994;

13 (ii) each thoroughbred and standardbred organization
14 licensee issued an organization license in that
15 succeeding allocation year shall be allocated an amount
16 equal to the product of its percentage of total Illinois
17 live thoroughbred or standardbred wagering in calendar
18 year 1994 (the total to be determined based on the sum of
19 1994 on-track wagering for all organization licensees
20 issued organization licenses in both the allocation year
21 and the preceding year) multiplied by the total amount
22 allocated for standardbred or thoroughbred purses,
23 provided that the first \$1,500,000 of the amount allocated
24 to standardbred purses under item (i) shall be allocated to
25 the Department of Agriculture to be expended with the
26 assistance and advice of the Illinois Standardbred

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

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

11 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 99-756,
12 eff. 8-12-16.)

13 Section 5. The Video Gaming Act is amended by changing
14 Section 45 and by adding Section 78.5 as follows:

15 (230 ILCS 40/45)

16 Sec. 45. Issuance of license.

17 (a) The burden is upon each applicant to demonstrate his
18 suitability for licensure. Each video gaming terminal
19 manufacturer, distributor, supplier, operator, handler,
20 licensed establishment, licensed truck stop establishment,
21 licensed fraternal establishment, and licensed veterans
22 establishment shall be licensed by the Board. The Board may
23 issue or deny a license under this Act to any person pursuant
24 to the same criteria set forth in Section 9 of the Riverboat

1 Gambling Act.

2 (a-5) The Board shall not grant a license to a person who
3 has facilitated, enabled, or participated in the use of
4 coin-operated devices for gambling purposes or who is under the
5 significant influence or control of such a person. For the
6 purposes of this Act, "facilitated, enabled, or participated in
7 the use of coin-operated amusement devices for gambling
8 purposes" means that the person has been convicted of any
9 violation of Article 28 of the Criminal Code of 1961 or the
10 Criminal Code of 2012. If there is pending legal action against
11 a person for any such violation, then the Board shall delay the
12 licensure of that person until the legal action is resolved.

13 (b) Each person seeking and possessing a license as a video
14 gaming terminal manufacturer, distributor, supplier, operator,
15 handler, licensed establishment, licensed truck stop
16 establishment, licensed fraternal establishment, or licensed
17 veterans establishment shall submit to a background
18 investigation conducted by the Board with the assistance of the
19 State Police or other law enforcement. To the extent that the
20 corporate structure of the applicant allows, the background
21 investigation shall include any or all of the following as the
22 Board deems appropriate or as provided by rule for each
23 category of licensure: (i) each beneficiary of a trust, (ii)
24 each partner of a partnership, (iii) each member of a limited
25 liability company, (iv) each director and officer of a publicly
26 or non-publicly held corporation, (v) each stockholder of a

1 non-publicly held corporation, (vi) each stockholder of 5% or
2 more of a publicly held corporation, or (vii) each stockholder
3 of 5% or more in a parent or subsidiary corporation.

4 (c) Each person seeking and possessing a license as a video
5 gaming terminal manufacturer, distributor, supplier, operator,
6 handler, licensed establishment, licensed truck stop
7 establishment, licensed fraternal establishment, or licensed
8 veterans establishment shall disclose the identity of every
9 person, association, trust, corporation, or limited liability
10 company having a greater than 1% direct or indirect pecuniary
11 interest in the video gaming terminal operation for which the
12 license is sought. If the disclosed entity is a trust, the
13 application shall disclose the names and addresses of the
14 beneficiaries; if a corporation, the names and addresses of all
15 stockholders and directors; if a limited liability company, the
16 names and addresses of all members; or if a partnership, the
17 names and addresses of all partners, both general and limited.

18 (d) No person may be licensed as a video gaming terminal
19 manufacturer, distributor, supplier, operator, handler,
20 licensed establishment, licensed truck stop establishment,
21 licensed fraternal establishment, or licensed veterans
22 establishment if that person has been found by the Board to:

23 (1) have a background, including a criminal record,
24 reputation, habits, social or business associations, or
25 prior activities that pose a threat to the public interests
26 of the State or to the security and integrity of video

1 gaming;

2 (2) create or enhance the dangers of unsuitable,
3 unfair, or illegal practices, methods, and activities in
4 the conduct of video gaming; or

5 (3) present questionable business practices and
6 financial arrangements incidental to the conduct of video
7 gaming activities.

8 (e) Any applicant for any license under this Act has the
9 burden of proving his or her qualifications to the satisfaction
10 of the Board. The Board may adopt rules to establish additional
11 qualifications and requirements to preserve the integrity and
12 security of video gaming in this State.

13 (f) A non-refundable application fee shall be paid at the
14 time an application for a license is filed with the Board in
15 the following amounts:

- 16 (1) Manufacturer \$5,000
- 17 (2) Distributor..... \$5,000
- 18 (3) Terminal operator..... \$5,000
- 19 (4) Supplier \$2,500
- 20 (5) Technician \$100
- 21 (6) Terminal Handler \$100 ~~\$50~~
- 22 (7) Licensed establishment, licensed truck stop
- 23 establishment, licensed fraternal establishment,
- 24 or licensed veterans establishment \$250

25 (g) The Board shall establish an annual fee for each
26 license not to exceed the following:

- 1 (1) Manufacturer \$10,000
- 2 (2) Distributor..... \$10,000
- 3 (3) Terminal operator..... \$5,000
- 4 (4) Supplier \$2,000
- 5 (5) Technician \$100
- 6 (6) Licensed establishment, licensed truck stop
- 7 establishment, licensed fraternal establishment,
- 8 or licensed veterans establishment \$100
- 9 (7) Video gaming terminal..... \$100
- 10 (8) Terminal Handler \$100 ~~\$50~~

11 (h) A terminal operator and a licensed establishment,
 12 licensed truck stop establishment, licensed fraternal
 13 establishment, or licensed veterans establishment shall
 14 equally split the fees specified in item (7) of subsection (g).
 15 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
 16 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

17 (230 ILCS 40/78.5 new)

18 Sec. 78.5. Civil penalties. Notwithstanding paragraph (15)
 19 of subsection (c) of Section 5 of the Riverboat Gambling Act,
 20 monetary civil penalties under this Act shall not exceed
 21 \$25,000 for individuals and \$50,000 for licensees per
 22 violation."