



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

SB3384

Introduced 5/31/2004, by Sen. John J. Cullerton

SYNOPSIS AS INTRODUCED:

30 ILCS 105/8.25e	from Ch. 127, par. 144.25e
230 ILCS 5/3.04	from Ch. 8, par. 37-3.04
230 ILCS 5/9	from Ch. 8, par. 37-9
230 ILCS 5/14	from Ch. 8, par. 37-14
230 ILCS 5/15	from Ch. 8, par. 37-15
230 ILCS 5/18	from Ch. 8, par. 37-18
230 ILCS 5/19	from Ch. 8, par. 37-19
230 ILCS 5/20	from Ch. 8, par. 37-20
230 ILCS 5/20.1	
230 ILCS 5/26	from Ch. 8, par. 37-26
230 ILCS 5/26.1	from Ch. 8, par. 37-26.1
230 ILCS 5/26.7 new	
230 ILCS 5/27	from Ch. 8, par. 37-27
230 ILCS 5/27.2 new	
230 ILCS 5/28	from Ch. 8, par. 37-28
230 ILCS 5/29	from Ch. 8, par. 37-29
230 ILCS 5/32.2 new	
230 ILCS 10/13	from Ch. 120, par. 2413
30 ILCS 105/5.625 new	
30 ILCS 105/5.626 new	
230 ILCS 5/28.1 rep.	
230 ILCS 5/32 rep.	
230 ILCS 5/32.1 rep.	
230 ILCS 5/54 rep.	

Amends the Illinois Horse Racing Act of 1975. Deletes the pari-mutuel tax and reimposes the privilege tax in substantially the same form as it existed before the enactment of Public Act 91-40. Deletes provisions creating the pari-mutuel tax credit that were enacted pursuant to Public Act 91-40. Restores provisions paying moneys from uncashed tickets to the Veterans' Rehabilitation Fund that were deleted by Public Act 91-40. Deletes provisions enacted by Public Act 91-40 that authorize organization licensees to retain breakage moneys. Amends the State Finance Act to make corresponding changes. Increases certain fees. Authorizes the sale of lottery tickets, subject to the Illinois Lottery Law at an organization licensee's race track and inter-track wagering locations. Authorizes the conduct of raffles, subject to the Raffles Act and the conduct of charitable games, subject to the Charitable Games Act at an organization licensee's race track and inter-track wagering locations. Repeals Sections concerning the pari-mutuel tax credit and the Horse Racing Equity Fund. Makes other changes. Effective July 1, 2004.

LRB093 22487 LRD 51971 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning gambling.

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

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

6 (30 ILCS 105/8.25e) (from Ch. 127, par. 144.25e)

7 Sec. 8.25e. (a) The State Comptroller and the State
8 Treasurer shall automatically transfer on the first day of each
9 month, beginning on February 1, 1988 and ending on June 30,
10 2004, from the General Revenue Fund to each of the funds then
11 supplemented by the pari-mutuel tax pursuant to Section 28 of
12 the Illinois Horse Racing Act of 1975, an amount equal to (i)
13 the amount of pari-mutuel tax deposited into such fund during
14 the month in fiscal year 1986 which corresponds to the month
15 preceding such transfer, minus (ii) the amount of pari-mutuel
16 tax (or the replacement transfer authorized by Section 8g(d) of
17 this Act and Section 28.1(d) of the Horse Racing Act of 1975)
18 deposited into such fund during the month preceding such
19 transfer; provided, however, that no transfer shall be made to
20 a fund if such amount for that fund is equal to or less than
21 zero and provided that no transfer shall be made to a fund in
22 any fiscal year after the amount deposited into such fund
23 exceeds the amount of pari-mutuel tax deposited into such fund
24 during fiscal year 1986.

25 (b) The State Comptroller and the State Treasurer shall
26 automatically transfer on the last day of each month, beginning
27 on October 1, 1989, from the General Revenue Fund to the
28 Metropolitan Exposition Auditorium and Office Building Fund,
29 the amount of \$2,750,000 plus any cumulative deficiencies in
30 such transfers for prior months, until the sum of \$16,500,000
31 has been transferred for the fiscal year beginning July 1, 1989
32 and until the sum of \$22,000,000 has been transferred for each

1 fiscal year thereafter.

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

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

15 Section 10. The Illinois Horse Racing Act of 1975 is
16 amended by changing Sections 3.04, 9, 14, 15, 18, 19, 20, 20.1,
17 26, 26.1, 27, 28, and 29 and adding Sections 26.7, 27.2, and
18 32.2 as follows:

19 (230 ILCS 5/3.04) (from Ch. 8, par. 37-3.04)

20 Sec. 3.04. "Director of mutuels" means the individual
21 representing the Board in the supervision and verification of
22 the pari-mutuel wagering pool totals for each racing day, which
23 verification shall be the basis for computing State privilege
24 ~~or pari-mutuel~~ taxes, licensee commissions and purses.

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

26 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

27 Sec. 9. The Board shall have all powers necessary and
28 proper to fully and effectively execute the provisions of this
29 Act, including, but not limited to, the following:

30 (a) The Board is vested with jurisdiction and supervision
31 over all race meetings in this State, over all licensees doing
32 business in this State, over all occupation licensees, and over
33 all persons on the facilities of any licensee. Such

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

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

26 Notwithstanding any provision of law to the contrary, it
27 shall be lawful for any licensee to operate pari-mutuel
28 wagering or contract with the Department of Agriculture to
29 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
30 or for the Department to enter into contracts with a licensee,
31 employ its owners, employees or agents and employ such other
32 occupation licensees as the Department deems necessary in
33 connection with race meetings and wagerings.

34 (b) The Board is vested with the full power to promulgate
35 reasonable rules and regulations for the purpose of
36 administering the provisions of this Act and to prescribe

1 reasonable rules, regulations and conditions under which all
2 horse race meetings or wagering in the State shall be
3 conducted. Such reasonable rules and regulations are to provide
4 for the prevention of practices detrimental to the public
5 interest and to promote the best interests of horse racing and
6 to impose penalties for violations thereof.

7 (c) The Board, and any person or persons to whom it
8 delegates this power, is vested with the power to enter the
9 facilities and other places of business of any licensee to
10 determine whether there has been compliance with the provisions
11 of this Act and its rules and regulations.

12 (d) The Board, and any person or persons to whom it
13 delegates this power, is vested with the authority to
14 investigate alleged violations of the provisions of this Act,
15 its reasonable rules and regulations, orders and final
16 decisions; the Board shall take appropriate disciplinary
17 action against any licensee or occupation licensee for
18 violation thereof or institute appropriate legal action for the
19 enforcement thereof.

20 (e) The Board, and any person or persons to whom it
21 delegates this power, may eject or exclude from any race
22 meeting or the facilities of any licensee, or any part thereof,
23 any occupation licensee or any other individual whose conduct
24 or reputation is such that his presence on those facilities
25 may, in the opinion of the Board, call into question the
26 honesty and integrity of horse racing or wagering or interfere
27 with the orderly conduct of horse racing or wagering; provided,
28 however, that no person shall be excluded or ejected from the
29 facilities of any licensee solely on the grounds of race,
30 color, creed, national origin, ancestry, or sex. The power to
31 eject or exclude an occupation licensee or other individual may
32 be exercised for just cause by the licensee or the Board,
33 subject to subsequent hearing by the Board as to the propriety
34 of said exclusion.

35 (f) The Board is vested with the power to acquire,
36 establish, maintain and operate (or provide by contract to

1 maintain and operate) testing laboratories and related
2 facilities, for the purpose of conducting saliva, blood, urine
3 and other tests on the horses run or to be run in any horse race
4 meeting and to purchase all equipment and supplies deemed
5 necessary or desirable in connection with any such testing
6 laboratories and related facilities and all such tests.

7 (g) The Board may require that the records, including
8 financial or other statements of any licensee or any person
9 affiliated with the licensee who is involved directly or
10 indirectly in the activities of any licensee as regulated under
11 this Act to the extent that those financial or other statements
12 relate to such activities be kept in such manner as prescribed
13 by the Board, and that Board employees shall have access to
14 those records during reasonable business hours. Within 120 days
15 of the end of its fiscal year, each licensee shall transmit to
16 the Board an audit of the financial transactions and condition
17 of the licensee's total operations. All audits shall be
18 conducted by certified public accountants. Each certified
19 public accountant must be registered in the State of Illinois
20 under the Illinois Public Accounting Act. The compensation for
21 each certified public accountant shall be paid directly by the
22 licensee to the certified public accountant. A licensee shall
23 also submit any other financial or related information the
24 Board deems necessary to effectively administer this Act and
25 all rules, regulations, and final decisions promulgated under
26 this Act.

27 (h) The Board shall name and appoint in the manner provided
28 by the rules and regulations of the Board: an Executive
29 Director; a State director of mutuels; State veterinarians and
30 representatives to take saliva, blood, urine and other tests on
31 horses; licensing personnel; revenue inspectors; and State
32 seasonal employees (excluding admission ticket sellers and
33 mutuel clerks). All of those named and appointed as provided in
34 this subsection shall serve during the pleasure of the Board;
35 their compensation shall be determined by the Board and be paid
36 in the same manner as other employees of the Board under this

1 Act.

2 (i) The Board shall require that there shall be 3 stewards
3 at each horse race meeting, at least 2 of whom shall be named
4 and appointed by the Board. Stewards appointed or approved by
5 the Board, while performing duties required by this Act or by
6 the Board, shall be entitled to the same rights and immunities
7 as granted to Board members and Board employees in Section 10
8 of this Act.

9 (j) The Board may discharge any Board employee who fails or
10 refuses for any reason to comply with the rules and regulations
11 of the Board, or who, in the opinion of the Board, is guilty of
12 fraud, dishonesty or who is proven to be incompetent. The Board
13 shall have no right or power to determine who shall be
14 officers, directors or employees of any licensee, or their
15 salaries except the Board may, by rule, require that all or any
16 officials or employees in charge of or whose duties relate to
17 the actual running of races be approved by the Board.

18 (k) The Board is vested with the power to appoint delegates
19 to execute any of the powers granted to it under this Section
20 for the purpose of administering this Act and any rules or
21 regulations promulgated in accordance with this Act.

22 (l) The Board is vested with the power to impose civil
23 penalties of up to \$10,000 ~~\$5,000~~ against an individual and up
24 to \$50,000 ~~\$10,000~~ against a licensee for each violation of any
25 provision of this Act, any rules adopted by the Board, any
26 order of the Board or any other action which, in the Board's
27 discretion, is a detriment or impediment to horse racing or
28 wagering.

29 (m) The Board is vested with the power to prescribe a form
30 to be used by licensees as an application for employment for
31 employees of each licensee.

32 (n) The Board shall have the power to issue a license to
33 any county fair, or its agent, authorizing the conduct of the
34 pari-mutuel system of wagering. The Board is vested with the
35 full power to promulgate reasonable rules, regulations and
36 conditions under which all horse race meetings licensed

1 pursuant to this subsection shall be held and conducted,
2 including rules, regulations and conditions for the conduct of
3 the pari-mutuel system of wagering. The rules, regulations and
4 conditions shall provide for the prevention of practices
5 detrimental to the public interest and for the best interests
6 of horse racing, and shall prescribe penalties for violations
7 thereof. Any authority granted the Board under this Act shall
8 extend to its jurisdiction and supervision over county fairs,
9 or their agents, licensed pursuant to this subsection. However,
10 the Board may waive any provision of this Act or its rules or
11 regulations which would otherwise apply to such county fairs or
12 their agents.

13 (o) Whenever the Board is authorized or required by law to
14 consider some aspect of criminal history record information for
15 the purpose of carrying out its statutory powers and
16 responsibilities, then, upon request and payment of fees in
17 conformance with the requirements of Section 2605-400 of the
18 Department of State Police Law (20 ILCS 2605/2605-400), the
19 Department of State Police is authorized to furnish, pursuant
20 to positive identification, such information contained in
21 State files as is necessary to fulfill the request.

22 (p) To insure the convenience, comfort, and wagering
23 accessibility of race track patrons, to provide for the
24 maximization of State revenue, and to generate increases in
25 purse allotments to the horsemen, the Board shall require any
26 licensee to staff the pari-mutuel department with adequate
27 personnel.

28 (Source: P.A. 91-239, eff. 1-1-00.)

29 (230 ILCS 5/14) (from Ch. 8, par. 37-14)

30 Sec. 14. (a) The Board shall hold regular and special
31 meetings at such times and places as may be necessary to
32 perform properly and effectively all duties required under this
33 Act. A majority of the members of the Board shall constitute a
34 quorum for the transaction of any business, for the performance
35 of any duty, or for the exercise of any power which this Act

1 requires the Board members to transact, perform or exercise en
2 banc, except that upon order of the Board one of the Board
3 members may conduct the hearing provided in Section 16. The
4 Board member conducting such hearing shall have all powers and
5 rights granted to the Board in this Act. The record made at the
6 hearing shall be reviewed by the Board, or a majority thereof,
7 and the findings and decision of the majority of the Board
8 shall constitute the order of the Board in such case.

9 (b) The Board shall obtain a court reporter who will be
10 present at each regular and special meeting and proceeding and
11 who shall make accurate transcriptions thereof except that when
12 in the judgment of the Board an emergency situation requires a
13 meeting by teleconference, the executive director shall
14 prepare minutes of the meeting indicating the date and time of
15 the meeting and which members of the Board were present or
16 absent, summarizing all matters proposed, deliberated, or
17 decided at the meeting, and indicating the results of all votes
18 taken. The public shall be allowed to listen to the proceedings
19 of that meeting at all Board branch offices.

20 (c) The Board shall provide records which are separate and
21 distinct from the records of any other State board or
22 commission. Such records shall be available for public
23 inspection and shall accurately reflect all Board proceedings.

24 (d) The Board shall file a written annual report with the
25 Governor on or before ~~May~~ March 1 each year and such additional
26 reports as the Governor may request. The annual report shall
27 include a statement of receipts and disbursements by the Board,
28 actions taken by the Board, a report on the industry's progress
29 toward the policy objectives established in Section 1.2 of this
30 Act, and any additional information and recommendations which
31 the Board may deem valuable or which the Governor may request.

32 (e) The Board shall maintain a branch office on the ground
33 of every organization licensee during the organization
34 licensee's race meeting, which office shall be kept open
35 throughout the time the race meeting is held. The Board shall
36 designate one of its members, or an authorized agent of the

1 Board who shall have the authority to act for the Board, to be
2 in charge of the branch office during the time it is required
3 to be kept open.

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

5 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

6 Sec. 15. (a) The Board shall, in its discretion, issue
7 occupation licenses to horse owners, trainers, harness
8 drivers, jockeys, agents, apprentices, grooms, stable foremen,
9 exercise persons, veterinarians, valets, blacksmiths,
10 concessionaires and others designated by the Board whose work,
11 in whole or in part, is conducted upon facilities within the
12 State. Such occupation licenses will be obtained prior to the
13 persons engaging in their vocation upon such facilities. The
14 Board shall not license pari-mutuel clerks, parking
15 attendants, security guards and employees of concessionaires.
16 No occupation license shall be required of any person who works
17 at facilities within this State as a pari-mutuel clerk, parking
18 attendant, security guard or as an employee of a
19 concessionaire. Concessionaires of the Illinois State Fair and
20 DuQuoin State Fair and employees of the Illinois Department of
21 Agriculture shall not be required to obtain an occupation
22 license by the Board.

23 (b) Each application for an occupation license shall be on
24 forms prescribed by the Board. Such license, when issued, shall
25 be for the period ending December 31 of each year, except that
26 the Board in its discretion may grant 3-year licenses. The
27 application shall be accompanied by a fee of not more than \$75
28 ~~\$25~~ per year or, in the case of 3-year occupation license
29 applications, a fee of not more than \$200 ~~\$60~~. Each applicant
30 shall set forth in the application his full name and address,
31 and if he had been issued prior occupation licenses or has been
32 licensed in any other state under any other name, such name,
33 his age, whether or not a permit or license issued to him in
34 any other state has been suspended or revoked and if so whether
35 such suspension or revocation is in effect at the time of the

1 application, and such other information as the Board may
2 require. Fees for registration of stable names shall not exceed
3 \$150 ~~\$50.00~~.

4 (c) The Board may in its discretion refuse an occupation
5 license to any person:

6 (1) who has been convicted of a crime;

7 (2) who is unqualified to perform the duties required
8 of such applicant;

9 (3) who fails to disclose or states falsely any
10 information called for in the application;

11 (4) who has been found guilty of a violation of this
12 Act or of the rules and regulations of the Board; or

13 (5) whose license or permit has been suspended, revoked
14 or denied for just cause in any other state.

15 (d) The Board may suspend or revoke any occupation license:

16 (1) for violation of any of the provisions of this Act;
17 or

18 (2) for violation of any of the rules or regulations of
19 the Board; or

20 (3) for any cause which, if known to the Board, would
21 have justified the Board in refusing to issue such
22 occupation license; or

23 (4) for any other just cause.

24 (e) Each applicant shall submit his or her fingerprints
25 to the Department of State Police in the form and manner
26 prescribed by the Department of State Police. These
27 fingerprints shall be checked against the fingerprint records
28 now and hereafter filed in the Department of State Police and
29 Federal Bureau of Investigation criminal history records
30 databases. The Department of State Police shall charge a fee
31 for conducting the criminal history records check, which shall
32 be deposited in the State Police Services Fund and shall not
33 exceed the actual cost of the records check. The Department of
34 State Police shall furnish, pursuant to positive
35 identification, records of conviction to the Board. Each
36 applicant for licensure shall submit with his occupation

1 license application, on forms provided by the Board, 2 sets of
2 his fingerprints. All such applicants shall appear in person at
3 the location designated by the Board for the purpose of
4 submitting such sets of fingerprints; however, with the prior
5 approval of a State steward, an applicant may have such sets of
6 fingerprints taken by an official law enforcement agency and
7 submitted to the Board.

8 (f) The Board may, in its discretion, issue an occupation
9 license without submission of fingerprints ~~if an applicant has~~
10 ~~been duly licensed in another recognized racing jurisdiction~~
11 ~~after submitting fingerprints that were subjected to a Federal~~
12 ~~Bureau of Investigation criminal history background check in~~
13 ~~that jurisdiction.~~

14 (Source: P.A. 93-418, eff. 1-1-04.)

15 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

16 Sec. 18. (a) Together with its application, each applicant
17 for racing dates shall deliver to the Board a certified check
18 or bank draft payable to the order of the Board for \$10,000
19 ~~\$1,000~~. In the event the applicant applies for racing dates in
20 2 or 3 successive calendar years as provided in subsection (b)
21 of Section 21, the fee shall be \$20,000 ~~\$2,000~~. Filing fees
22 shall not be refunded in the event the application is denied.

23 (b) In addition to the filing fee of \$10,000 ~~\$1,000~~ and the
24 fees provided in subsection (j) of Section 20, each
25 organization licensee shall pay a license fee of \$200 ~~\$100~~ for
26 each racing program on which its daily pari-mutuel handle is
27 \$100,000 ~~\$400,000~~ or more but less than \$400,000 ~~\$700,000~~, and
28 a license fee of \$400 ~~\$200~~ for each racing program on which its
29 daily pari-mutuel handle is \$400,000 ~~\$700,000~~ or more. The
30 additional fees required to be paid under this Section by this
31 amendatory Act of 1982 shall be remitted by the organization
32 licensee to the Illinois Racing Board with each day's graduated
33 privilege tax ~~or pari-mutuel tax~~ and breakage as provided under
34 Section 27.

35 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois

1 Municipal Code," approved May 29, 1961, as now or hereafter
2 amended, shall not apply to any license under this Act.

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

4 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

5 Sec. 19. (a) No organization license may be granted to
6 conduct a horse race meeting:

7 (1) except as provided in subsection (c) of Section 21
8 of this Act, to any person at any place within 35 miles of
9 any other place licensed by the Board to hold a race
10 meeting on the same date during the same hours, the mileage
11 measurement used in this subsection (a) shall be certified
12 to the Board by the Bureau of Systems and Services in the
13 Illinois Department of Transportation as the most commonly
14 used public way of vehicular travel;

15 (2) to any person in default in the payment of any
16 obligation or debt due the State under this Act, provided
17 no applicant shall be deemed in default in the payment of
18 any obligation or debt due to the State under this Act as
19 long as there is pending a hearing of any kind relevant to
20 such matter;

21 (3) to any person who has been convicted of the
22 violation of any law of the United States or any State law
23 which provided as all or part of its penalty imprisonment
24 in any penal institution; to any person against whom there
25 is pending a Federal or State criminal charge; to any
26 person who is or has been connected with or engaged in the
27 operation of any illegal business; to any person who does
28 not enjoy a general reputation in his community of being an
29 honest, upright, law-abiding person; provided that none of
30 the matters set forth in this subparagraph (3) shall make
31 any person ineligible to be granted an organization license
32 if the Board determines, based on circumstances of any such
33 case, that the granting of a license would not be
34 detrimental to the interests of horse racing and of the
35 public;

1 (4) to any person who does not at the time of
2 application for the organization license own or have a
3 contract or lease for the possession of a finished race
4 track suitable for the type of racing intended to be held
5 by the applicant and for the accommodation of the public.

6 (b) (Blank). ~~Horse racing on Sunday shall be prohibited~~
7 ~~unless authorized by ordinance or referendum of the~~
8 ~~municipality in which a race track or any of its appurtenances~~
9 ~~or facilities are located, or utilized.~~

10 (c) If any person is ineligible to receive an organization
11 license because of any of the matters set forth in subsection
12 (a) (2) or subsection (a) (3) of this Section, any other or
13 separate person that either (i) controls, directly or
14 indirectly, such ineligible person or (ii) is controlled,
15 directly or indirectly, by such ineligible person or by a
16 person which controls, directly or indirectly, such ineligible
17 person shall also be ineligible.

18 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

19 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

20 Sec. 20. (a) Any person desiring to conduct a horse race
21 meeting may apply to the Board for an organization license. The
22 application shall be made on a form prescribed and furnished by
23 the Board. The application shall specify:

24 (1) the dates on which it intends to conduct the horse
25 race meeting, which dates shall be provided under Section
26 21;

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

29 (3) the location where it proposes to conduct the
30 meeting; and

31 (4) any other information the Board may reasonably
32 require.

33 (b) A separate application for an organization license
34 shall be filed for each horse race meeting which such person
35 proposes to hold. Any such application, if made by an

1 individual, or by any individual as trustee, shall be signed
2 and verified under oath by such individual. If made by
3 individuals or a partnership, it shall be signed and verified
4 under oath by at least 2 of such individuals or members of such
5 partnership as the case may be. If made by an association,
6 corporation, corporate trustee or any other entity, it shall be
7 signed by the president and attested by the secretary or
8 assistant secretary under the seal of such association, trust
9 or corporation if it has a seal, and shall also be verified
10 under oath by one of the signing officers.

11 (c) The application shall specify the name of the persons,
12 association, trust, or corporation making such application and
13 the post office address of the applicant; if the applicant is a
14 trustee, the names and addresses of the beneficiaries; if a
15 corporation, the names and post office addresses of all
16 officers, stockholders and directors; or if such stockholders
17 hold stock as a nominee or fiduciary, the names and post office
18 addresses of these persons, partnerships, corporations, or
19 trusts who are the beneficial owners thereof or who are
20 beneficially interested therein; and if a partnership, the
21 names and post office addresses of all partners, general or
22 limited; if the applicant is a corporation, the name of the
23 state of its incorporation shall be specified.

24 (d) The applicant shall execute and file with the Board a
25 good faith affirmative action plan to recruit, train, and
26 upgrade minorities in all classifications within the
27 association.

28 (e) With such application there shall be delivered to the
29 Board a certified check or bank draft payable to the order of
30 the Board for an amount equal to \$10,000 ~~\$1,000~~. All
31 applications for the issuance of an organization license shall
32 be filed with the Board before August 1 of the year prior to
33 the year for which application is made and shall be acted upon
34 by the Board at a meeting to be held on such date as shall be
35 fixed by the Board during the last 15 days of September of such
36 prior year. At such meeting, the Board shall announce the award

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

10 (e-5) In reviewing an application for the purpose of
11 granting an organization license consistent with the best
12 interests of the public and the sport of horse racing, the
13 Board shall consider:

14 (1) the character, reputation, experience, and
15 financial integrity of the applicant and of any other
16 separate person that either:

17 (i) controls the applicant, directly or
18 indirectly, or

19 (ii) is controlled, directly or indirectly, by
20 that applicant or by a person who controls, directly or
21 indirectly, that applicant;

22 (2) the applicant's facilities or proposed facilities
23 for conducting horse racing;

24 (3) the total revenue ~~without regard to Section 32.1~~ to
25 be derived by the State and horsemen from the applicant's
26 conducting a race meeting;

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

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

32 (6) the applicant's proposed and prior year's
33 promotional and marketing activities and expenditures of
34 the applicant associated with those activities;

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

1 ~~and~~

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

5 (9) the applicant's support of live racing and the
6 growth of the Illinois horse racing industry as measured by
7 the following factors:

8 (i) an increase in handle on Illinois races;

9 (ii) an increase in purses;

10 (iii) the marketing and promotion of horse racing;

11 and

12 (iv) capital improvement to its racing facility

13 (not including its electronic gaming facility).

14 In granting organization licenses and allocating dates for
15 horse race meetings, the Board shall have discretion to
16 determine an overall schedule, including required simulcasts
17 of Illinois races by host tracks that will, in its judgment, be
18 conducive to the best interests of the public and the sport of
19 horse racing.

20 (e-10) The Illinois Administrative Procedure Act shall
21 apply to administrative procedures of the Board under this Act
22 for the granting of an organization license, except that (1)
23 notwithstanding the provisions of subsection (b) of Section
24 10-40 of the Illinois Administrative Procedure Act regarding
25 cross-examination, the Board may prescribe rules limiting the
26 right of an applicant or participant in any proceeding to award
27 an organization license to conduct cross-examination of
28 witnesses at that proceeding where that cross-examination
29 would unduly obstruct the timely award of an organization
30 license under subsection (e) of Section 20 of this Act; (2) the
31 provisions of Section 10-45 of the Illinois Administrative
32 Procedure Act regarding proposals for decision are excluded
33 under this Act; (3) notwithstanding the provisions of
34 subsection (a) of Section 10-60 of the Illinois Administrative
35 Procedure Act regarding ex parte communications, the Board may
36 prescribe rules allowing ex parte communications with

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

14 (f) The Board may allot racing dates to an organization
15 licensee for more than one calendar year but for no more than 3
16 successive calendar years in advance, provided that the Board
17 shall review such allotment for more than one calendar year
18 prior to each year for which such allotment has been made. The
19 granting of an organization license to a person constitutes a
20 privilege to conduct a horse race meeting under the provisions
21 of this Act, and no person granted an organization license
22 shall be deemed to have a vested interest, property right, or
23 future expectation to receive an organization license in any
24 subsequent year as a result of the granting of an organization
25 license. Organization licenses shall be subject to revocation
26 if the organization licensee has violated any provision of this
27 Act or the rules and regulations promulgated under this Act or
28 has been convicted of a crime or has failed to disclose or has
29 stated falsely any information called for in the application
30 for an organization license. Any organization license
31 revocation proceeding shall be in accordance with Section 16
32 regarding suspension and revocation of occupation licenses.

33 (f-5) If, (i) an applicant does not file an acceptance of
34 the racing dates awarded by the Board as required under part
35 (1) of subsection (h) of this Section 20, or (ii) an
36 organization licensee has its license suspended or revoked

1 under this Act, the Board, upon conducting an emergency hearing
2 as provided for in this Act, may reaward on an emergency basis
3 pursuant to rules established by the Board, racing dates not
4 accepted or the racing dates associated with any suspension or
5 revocation period to one or more organization licensees, new
6 applicants, or any combination thereof, upon terms and
7 conditions that the Board determines are in the best interest
8 of racing, provided, the organization licensees or new
9 applicants receiving the awarded racing dates file an
10 acceptance of those reawarded racing dates as required under
11 paragraph (1) of subsection (h) of this Section 20 and comply
12 with the other provisions of this Act. The Illinois
13 Administrative Procedures Act shall not apply to the
14 administrative procedures of the Board in conducting the
15 emergency hearing and the reallocation of racing dates on an
16 emergency basis.

17 (g) (Blank).

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

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

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

27 (2) pay to the Board an additional amount equal to \$200
28 ~~\$110~~ for each racing date awarded; and

29 (3) file with the Board the bonds required in Sections
30 21 and 25 at least 20 days prior to the first day of each
31 race meeting.

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

35 If any applicant fails to comply with this Section or fails
36 to pay the organization license fees herein provided, no

1 organization license shall be issued to such applicant.

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

3 (230 ILCS 5/20.1)

4 Sec. 20.1. Authority of licensees.

5

6 (a) Notwithstanding anything in this Act to the contrary,
7 an organization licensee shall have authority to:

8 (1) determine prices charged for food and beverages
9 ~~goods and services;~~

10 (2) (blank); ~~determine prices charged for wagering~~
11 ~~products, subject to Sections 26 and 26.2 of this Act;~~

12 (3) determine its hours of operation, subject to at
13 least 90 ~~30~~ days prior notice to the Board if such hours
14 are different than provided such licensee's racing dates
15 application; and

16 (4) otherwise manage its business operations.

17 (b) The Board may disapprove of any business practices by
18 organization licensees identified in subsection (a) of this
19 Section if the Board finds that such practices are detrimental
20 to the public interest.

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

22 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

23 Sec. 26. Wagering.

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

1 notwithstanding. Subject to rules for advance wagering
2 promulgated by the Board, any licensee may accept wagers in
3 advance of the day of the race wagered upon occurs.

4 (b) Except as otherwise provided in Section 26.7, no ~~no~~
5 other method of betting, pool making, wagering or gambling
6 shall be used or permitted by the licensee. Each licensee may
7 retain, subject to the payment of all applicable taxes and
8 purses, an amount not to exceed 17% of all money wagered under
9 subsection (a) of this Section, except as may otherwise be
10 permitted under this Act.

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

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

28 (c-5) From Beginning ~~Beginning~~ January 1, 2000 until July 1, 2004,
29 the sum held by any licensee for payment of outstanding
30 pari-mutuel tickets, if unclaimed prior to December 31 of the
31 next year, shall be retained by the licensee for payment of
32 such tickets until that date. Within 10 days thereafter, the
33 balance of such sum remaining unclaimed, less any uncashed
34 supplements contributed by such licensee for the purpose of
35 guaranteeing minimum distributions of any pari-mutuel pool,
36 shall be evenly distributed to the purse account of the

1 organization licensee and the organization licensee.

2 (c-10) Beginning July 1, 2004, the sum held by any licensee
3 for payment of outstanding pari-mutuel tickets, if unclaimed
4 prior to December 31 of the next year, shall be retained by the
5 licensee for payment of those tickets until that date. Within
6 10 days thereafter, the balance of the sum remaining unclaimed,
7 less any uncashed supplements contributed by the licensee for
8 the purpose of guaranteeing minimum distributions of any
9 pari-mutuel pool, shall be paid to the Illinois Veterans'
10 Rehabilitation Fund of the State treasury.

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

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

25 (f) Notwithstanding the other provisions of this Act, an
26 organization licensee may, with the approval of the Board,
27 contract with an entity in another state or country to permit
28 any legal wagering entity in another state or country to accept
29 wagers solely within such other state or country on races
30 conducted by the organization licensee in this State. From
31 Beginning January 1, 2000 until July 1, 2004, these wagers
32 shall not be subject to State taxation. Except during the
33 period beginning ~~Until~~ January 1, 2000 and ending June 30,
34 2004, when the out-of-State entity conducts a pari-mutuel pool
35 separate from the organization licensee, a privilege tax equal
36 to 10% ~~7-1/2%~~ of all monies received by the organization

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

10 An organization licensee may permit one or more of its
11 races to be utilized for pari-mutuel wagering at one or more
12 locations in other states and may transmit audio and visual
13 signals of races the organization licensee conducts to one or
14 more locations outside the State or country and may also permit
15 pari-mutuel pools in other states or countries to be combined
16 with its gross or net wagering pools or with wagering pools
17 established by other states.

18 (g) A host track may accept interstate simulcast wagers on
19 horse races conducted in other states or countries and shall
20 control the number of signals and types of breeds of racing in
21 its simulcast program, subject to the disapproval of the Board.
22 The Board may prohibit a simulcast program only if it finds
23 that the simulcast program is clearly adverse to the integrity
24 of racing. The host track simulcast program shall include the
25 signal of live racing of all organization licensees. All
26 non-host licensees shall carry the host track simulcast program
27 and accept wagers on all races included as part of the
28 simulcast program upon which wagering is permitted. The costs
29 and expenses of the host track and non-host licensees
30 associated with interstate simulcast wagering, other than the
31 interstate commission fee, shall be borne by the host track and
32 all non-host licensees incurring these costs. The interstate
33 commission fee shall not exceed 5% of Illinois handle on the
34 interstate simulcast race or races without prior approval of
35 the Board. The Board shall promulgate rules under which it may
36 permit interstate commission fees in excess of 5%. The

1 interstate commission fee and other fees charged by the sending
2 racetrack, including, but not limited to, satellite decoder
3 fees, shall be uniformly applied to the host track and all
4 non-host licensees.

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

22 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
23 intertrack wagering licensee other than the host track may
24 receive supplemental interstate simulcasts only with the
25 consent of the host track, except when the Board finds that
26 the simulcast is clearly adverse to the integrity of
27 racing. Consent granted under this paragraph (2) to any
28 intertrack wagering licensee shall be deemed consent to all
29 non-host licensees. The interstate commission fee for the
30 supplemental interstate simulcast shall be paid by all
31 participating non-host licensees.

32 (3) Each licensee conducting interstate simulcast
33 wagering may retain, subject to the payment of all
34 applicable taxes and the purses, an amount not to exceed
35 17% of all money wagered. If any licensee conducts the
36 pari-mutuel system wagering on races conducted at

1 racetracks in another state or country, each such race or
2 race program shall be considered a separate racing day for
3 the purpose of determining the daily handle and computing
4 the privilege tax of that daily handle as provided in
5 subsection (a) of Section 27. Until January 1, 2000, from
6 the sums permitted to be retained pursuant to this
7 subsection, each intertrack wagering location licensee
8 shall pay 1% of the pari-mutuel handle wagered on simulcast
9 wagering to the Horse Racing Tax Allocation Fund, subject
10 to the provisions of subparagraph (B) of paragraph (11) of
11 subsection (h) of this Section ~~26 of this Act~~.

12 Beginning July 1, 2004, from the sums permitted to be
13 retained pursuant to this subsection, each intertrack
14 wagering location licensee shall pay 1% of the pari-mutuel
15 handle wagered on simulcast wagering to the Horse Racing
16 Tax Allocation Fund, subject to the provisions of
17 subparagraph (B) of paragraph (11) of subsection (h) of
18 this Section.

19 (4) A licensee who receives an interstate simulcast may
20 combine its gross or net pools with pools at the sending
21 racetracks pursuant to rules established by the Board. All
22 licensees combining their gross pools at a sending
23 racetrack shall adopt the take-out percentages of the
24 sending racetrack. A licensee may also establish a separate
25 pool and takeout structure for wagering purposes on races
26 conducted at race tracks outside of the State of Illinois.
27 The licensee may permit pari-mutuel wagers placed in other
28 states or countries to be combined with its gross or net
29 wagering pools or other wagering pools.

30 (5) After the payment of the interstate commission fee
31 (except for the interstate commission fee on a supplemental
32 interstate simulcast, which shall be paid by the host track
33 and by each non-host licensee through the host-track) and
34 all applicable State and local taxes, except as provided in
35 subsection (g) of Section 27 of this Act, the remainder of
36 moneys retained from simulcast wagering pursuant to this

1 subsection (g), and Section 26.2 shall be divided as
2 follows:

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

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

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

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

30 (A) Between January 1 and the third Friday in
31 February, inclusive, if no live thoroughbred racing is
32 occurring in Illinois during this period, when the
33 interstate simulcast is a standardbred race, the purse
34 share to its standardbred purse account;

35 (B) Between January 1 and the third Friday in
36 February, inclusive, if no live thoroughbred racing is

1 occurring in Illinois during this period, and the
2 interstate simulcast is a thoroughbred race, the purse
3 share to its interstate simulcast purse pool to be
4 distributed under paragraph (10) of this subsection
5 (g);

6 (C) Between January 1 and the third Friday in
7 February, inclusive, if live thoroughbred racing is
8 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
9 the purse share from wagers made during this time
10 period to its thoroughbred purse account and between
11 6:30 p.m. and 6:30 a.m. the purse share from wagers
12 made during this time period to its standardbred purse
13 accounts;

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

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

22 (7.1) Notwithstanding any other provision of this Act
23 to the contrary, if no standardbred racing is conducted at
24 a racetrack located in Madison County during any calendar
25 year beginning on or after January 1, 2002, all moneys
26 derived by that racetrack from simulcast wagering and
27 inter-track wagering that (1) are to be used for purses and
28 (2) are generated between the hours of 6:30 p.m. and 6:30
29 a.m. during that calendar year shall be paid as follows:

30 (A) If the licensee that conducts horse racing at
31 that racetrack requests from the Board at least as many
32 racing dates as were conducted in calendar year 2000,
33 80% shall be paid to its thoroughbred purse account;
34 and

35 (B) Twenty percent shall be deposited into the
36 Illinois Colt Stakes Purse Distribution Fund and shall

1 be paid to purses for standardbred races for Illinois
2 conceived and foaled horses conducted at any county
3 fairgrounds. The moneys deposited into the Fund
4 pursuant to this subparagraph (B) shall be deposited
5 within 2 weeks after the day they were generated, shall
6 be in addition to and not in lieu of any other moneys
7 paid to standardbred purses under this Act, and shall
8 not be commingled with other moneys paid into that
9 Fund. The moneys deposited pursuant to this
10 subparagraph (B) shall be allocated as provided by the
11 Department of Agriculture, with the advice and
12 assistance of the Illinois Standardbred Breeders Fund
13 Advisory Board.

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

23 (A) If the licensee that conducts horse racing at
24 that racetrack requests from the Board at least as many
25 racing dates as were conducted in calendar year 2000,
26 80% shall be deposited into its standardbred purse
27 account; and

28 (B) Twenty percent shall be deposited into the
29 Illinois Colt Stakes Purse Distribution Fund. Moneys
30 deposited into the Illinois Colt Stakes Purse
31 Distribution Fund pursuant to this subparagraph (B)
32 shall be paid to Illinois conceived and foaled
33 thoroughbred breeders' programs and to thoroughbred
34 purses for races conducted at any county fairgrounds
35 for Illinois conceived and foaled horses at the
36 discretion of the Department of Agriculture, with the

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

10 (7.3) If no live standardbred racing is conducted at a
11 racetrack located in Madison County in calendar year 2000
12 or 2001, an organization licensee who is licensed to
13 conduct horse racing at that racetrack shall, before
14 January 1, 2002, pay all moneys derived from simulcast
15 wagering and inter-track wagering in calendar years 2000
16 and 2001 and paid into the licensee's standardbred purse
17 account as follows:

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

20 (B) Twenty percent to the Illinois Colt Stakes
21 Purse Distribution Fund.

22 Failure to make the payment to the Illinois Colt Stakes
23 Purse Distribution Fund before January 1, 2002 shall result
24 in the immediate revocation of the licensee's organization
25 license, inter-track wagering license, and inter-track
26 wagering location license.

27 Moneys paid into the Illinois Colt Stakes Purse
28 Distribution Fund pursuant to this paragraph (7.3) shall be
29 paid to purses for standardbred races for Illinois
30 conceived and foaled horses conducted at any county
31 fairgrounds. Moneys paid into the Illinois Colt Stakes
32 Purse Distribution Fund pursuant to this paragraph (7.3)
33 shall be used as determined by the Department of
34 Agriculture, with the advice and assistance of the Illinois
35 Standardbred Breeders Fund Advisory Board, shall be in
36 addition to and not in lieu of any other moneys paid to

1 standardbred purses under this Act, and shall not be
2 commingled with any other moneys paid into that Fund.

3 (7.4) If live standardbred racing is conducted at a
4 racetrack located in Madison County at any time in calendar
5 year 2001 before the payment required under paragraph (7.3)
6 has been made, the organization licensee who is licensed to
7 conduct racing at that racetrack shall pay all moneys
8 derived by that racetrack from simulcast wagering and
9 inter-track wagering during calendar years 2000 and 2001
10 that (1) are to be used for purses and (2) are generated
11 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
12 2001 to the standardbred purse account at that racetrack to
13 be used for standardbred purses.

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

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

36 (9) (Blank).

1 (10) (Blank).

2 (11) (Blank).

3 (12) The Board shall have authority to compel all host
4 tracks to receive the simulcast of any or all races
5 conducted at the Springfield or DuQuoin State fairgrounds
6 and include all such races as part of their simulcast
7 programs.

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

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

18 (h) The Board may approve and license the conduct of
19 inter-track wagering and simulcast wagering by inter-track
20 wagering licensees and inter-track wagering location licensees
21 subject to the following terms and conditions:

22 (1) Any person licensed to conduct a race meeting (i)
23 at a track where 60 or more days of racing were conducted
24 during the immediately preceding calendar year or where
25 over the 5 immediately preceding calendar years an average
26 of 30 or more days of racing were conducted annually may be
27 issued an inter-track wagering license; (ii) at a track
28 located in a county that is bounded by the Mississippi
29 River, which has a population of less than 150,000
30 according to the 1990 decennial census, and an average of
31 at least 60 days of racing per year between 1985 and 1993
32 may be issued an inter-track wagering license; or (iii) at
33 a track located in Madison County that conducted at least
34 100 days of live racing during the immediately preceding
35 calendar year may be issued an inter-track wagering
36 license, unless a lesser schedule of live racing is the

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

26 (2) The Board shall examine the applications with
27 respect to their conformity with this Act and the rules and
28 regulations imposed by the Board. If found to be in
29 compliance with the Act and rules and regulations of the
30 Board, the Board may then issue a license to conduct
31 inter-track wagering and simulcast wagering to such
32 applicant. All such applications shall be acted upon by the
33 Board at a meeting to be held on such date as may be fixed
34 by the Board.

35 (3) In granting licenses to conduct inter-track
36 wagering and simulcast wagering, the Board shall give due

1 consideration to the best interests of the public, of horse
2 racing, and of maximizing revenue to the State.

3 (4) Prior to the issuance of a license to conduct
4 inter-track wagering and simulcast wagering, the applicant
5 shall file with the Board a bond payable to the State of
6 Illinois in the sum of \$100,000 ~~\$50,000~~, executed by the
7 applicant and a surety company or companies authorized to
8 do business in this State, and conditioned upon (i) the
9 payment by the licensee of all taxes due under Section 27
10 or 27.2 ~~27.1~~ and any other monies due and payable under
11 this Act, and (ii) distribution by the licensee, upon
12 presentation of the winning ticket or tickets, of all sums
13 payable to the patrons of pari-mutuel pools.

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

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

23 (7) An inter-track wagering licensee or inter-track
24 wagering location licensee may accept wagers at the track
25 or location where it is licensed, or as otherwise provided
26 under this Act.

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

30 (8.1) Inter-track wagering location licensees who
31 derive their licenses from a particular organization
32 licensee shall conduct inter-track wagering and simulcast
33 wagering only at locations which are either within 90 miles
34 of that race track where the particular organization
35 licensee is licensed to conduct racing, or within 135 miles
36 of that race track where the particular organization

1 licensee is licensed to conduct racing in the case of race
2 tracks in counties of less than 400,000 that were operating
3 on or before June 1, 1986. However, inter-track wagering
4 and simulcast wagering shall not be conducted by those
5 licensees at any location within 5 miles of any race track
6 at which a horse race meeting has been licensed in the
7 current year, unless the person having operating control of
8 such race track has given its written consent to such
9 inter-track wagering location licensees, which consent
10 must be filed with the Board at or prior to the time
11 application is made.

12 (8.2) Inter-track wagering or simulcast wagering shall
13 not be conducted by an inter-track wagering location
14 licensee at any location within 500 feet of an existing
15 church or existing school, nor within 500 feet of the
16 residences of more than 50 registered voters without
17 receiving written permission from a majority of the
18 registered voters at such residences. Such written
19 permission statements shall be filed with the Board. The
20 distance of 500 feet shall be measured to the nearest part
21 of any building used for worship services, education
22 programs, residential purposes, or conducting inter-track
23 wagering by an inter-track wagering location licensee, and
24 not to property boundaries. However, inter-track wagering
25 or simulcast wagering may be conducted at a site within 500
26 feet of a church, school or residences of 50 or more
27 registered voters if such church, school or residences have
28 been erected or established, or such voters have been
29 registered, after the Board issues the original
30 inter-track wagering location license at the site in
31 question. Inter-track wagering location licensees may
32 conduct inter-track wagering and simulcast wagering only
33 in areas that are zoned for commercial or manufacturing
34 purposes or in areas for which a special use has been
35 approved by the local zoning authority. However, no license
36 to conduct inter-track wagering and simulcast wagering

1 shall be granted by the Board with respect to any
2 inter-track wagering location within the jurisdiction of
3 any local zoning authority which has, by ordinance or by
4 resolution, prohibited the establishment of an inter-track
5 wagering location within its jurisdiction. However,
6 inter-track wagering and simulcast wagering may be
7 conducted at a site if such ordinance or resolution is
8 enacted after the Board licenses the original inter-track
9 wagering location licensee for the site in question.

10 (9) (Blank).

11 (10) An inter-track wagering licensee or an
12 inter-track wagering location licensee may retain, subject
13 to the payment of the privilege taxes and the purses, an
14 amount not to exceed 17% of all money wagered. Each program
15 of racing conducted by each inter-track wagering licensee
16 or inter-track wagering location licensee shall be
17 considered a separate racing day for the purpose of
18 determining the daily handle and computing the privilege
19 tax ~~or pari-mutuel tax~~ on such daily handle as provided in
20 Section 27.2 ~~27~~.

21 (10.1) Except as provided in subsection (g) of Section
22 27 of this Act, inter-track wagering location licensees
23 shall pay 1% of the pari-mutuel handle at each location to
24 the municipality in which such location is situated and 1%
25 of the pari-mutuel handle at each location to the county in
26 which such location is situated. In the event that an
27 inter-track wagering location licensee is situated in an
28 unincorporated area of a county, such licensee shall pay 2%
29 of the pari-mutuel handle from such location to such
30 county.

31 (10.2) Notwithstanding any other provision of this
32 Act, with respect to intertrack wagering at a race track
33 located in a county that has a population of more than
34 230,000 and that is bounded by the Mississippi River ("the
35 first race track"), or at a facility operated by an
36 inter-track wagering licensee or inter-track wagering

1 location licensee that derives its license from the
2 organization licensee that operates the first race track,
3 on races conducted at the first race track or on races
4 conducted at another Illinois race track and
5 simultaneously televised to the first race track or to a
6 facility operated by an inter-track wagering licensee or
7 inter-track wagering location licensee that derives its
8 license from the organization licensee that operates the
9 first race track, those moneys shall be allocated as
10 follows:

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

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

19 (11) (A) After payment of the privilege ~~or pari-mutuel~~
20 tax, any other applicable taxes, and the costs and expenses
21 in connection with the gathering, transmission, and
22 dissemination of all data necessary to the conduct of
23 inter-track wagering, the remainder of the monies retained
24 under either Section 26 or Section 26.2 of this Act by the
25 inter-track wagering licensee on inter-track wagering
26 shall be allocated with 50% to be split between the 2
27 participating licensees and 50% to purses, except that an
28 intertrack wagering licensee that derives its license from
29 a track located in a county with a population in excess of
30 230,000 and that borders the Mississippi River shall not
31 divide any remaining retention with the Illinois
32 organization licensee that provides the race or races, and
33 an intertrack wagering licensee that accepts wagers on
34 races conducted by an organization licensee that conducts a
35 race meet in a county with a population in excess of
36 230,000 and that borders the Mississippi River shall not

1 divide any remaining retention with that organization
2 licensee.

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

1 (5) of subsection (g) of this Section 26 provided first,
2 that the shares of those amounts, which are to be
3 redistributed to the host track or to purses at the host
4 track under subparagraph (B) of paragraph (5) of subsection
5 (g) of this Section 26 shall be redistributed based on each
6 host track's pro rata share of the total inter-track
7 wagering and simulcast wagering handle at all host tracks
8 during the calendar year in question, and second, that any
9 amounts redistributed as described in part (I) to an
10 inter-track wagering location licensee that accepts wagers
11 on races conducted by an organization licensee that
12 conducts a race meet in a county with a population in
13 excess of 230,000 and that borders the Mississippi River
14 shall be further redistributed as provided in
15 subparagraphs (D) and (E) of paragraph (7) of subsection
16 (g) of this Section 26, with the portion of that further
17 redistribution allocated to purses at that organization
18 licensee to be divided between standardbred purses and
19 thoroughbred purses based on the amounts otherwise
20 allocated to purses at that organization licensee during
21 the calendar year in question; and (iv) 8% of the
22 pari-mutuel handle on inter-track wagering wagered at such
23 location to satisfy all costs and expenses of conducting
24 its wagering. The remainder of the monies retained by the
25 inter-track wagering location licensee shall be allocated
26 40% to the location licensee and 60% to the organization
27 licensee which provides the Illinois races to the location,
28 except that an intertrack wagering location licensee that
29 derives its license from a track located in a county with a
30 population in excess of 230,000 and that borders the
31 Mississippi River shall not divide any remaining retention
32 with the organization licensee that provides the race or
33 races and an intertrack wagering location licensee that
34 accepts wagers on races conducted by an organization
35 licensee that conducts a race meet in a county with a
36 population in excess of 230,000 and that borders the

1 Mississippi River shall not divide any remaining retention
2 with the organization licensee. Notwithstanding the
3 provisions of clauses (ii) and (iv) of this paragraph, in
4 the case of the additional inter-track wagering location
5 licenses authorized under paragraph (1) of this subsection
6 (h) by this amendatory Act of 1991, those licensees shall
7 pay the following amounts as purses: during the first 12
8 months the licensee is in operation, 5.25% of the
9 pari-mutuel handle wagered at the location on races; during
10 the second 12 months, 5.25%; during the third 12 months,
11 5.75%; during the fourth 12 months, 6.25%; and during the
12 fifth 12 months and thereafter, 6.75%. The following
13 amounts shall be retained by the licensee to satisfy all
14 costs and expenses of conducting its wagering: during the
15 first 12 months the licensee is in operation, 8.25% of the
16 pari-mutuel handle wagered at the location; during the
17 second 12 months, 8.25%; during the third 12 months, 7.75%;
18 during the fourth 12 months, 7.25%; and during the fifth 12
19 months and thereafter, 6.75%. For additional intertrack
20 wagering location licensees authorized under this
21 amendatory Act of 1995, purses for the first 12 months the
22 licensee is in operation shall be 5.75% of the pari-mutuel
23 wagered at the location, purses for the second 12 months
24 the licensee is in operation shall be 6.25%, and purses
25 thereafter shall be 6.75%. For additional intertrack
26 location licensees authorized under this amendatory Act of
27 1995, the licensee shall be allowed to retain to satisfy
28 all costs and expenses: 7.75% of the pari-mutuel handle
29 wagered at the location during its first 12 months of
30 operation, 7.25% during its second 12 months of operation,
31 and 6.75% thereafter.

32 (C) There is hereby created the Horse Racing Tax
33 Allocation Fund which shall remain in existence until
34 December 31, 1999. Moneys remaining in the Fund after
35 December 31, 1999 shall be paid into the General Revenue
36 Fund. Until January 1, 2000, all monies paid into the Horse

1 Racing Tax Allocation Fund pursuant to this paragraph (11)
2 by inter-track wagering location licensees located in park
3 districts of 500,000 population or less, or in a
4 municipality that is not included within any park district
5 but is included within a conservation district and is the
6 county seat of a county that (i) is contiguous to the state
7 of Indiana and (ii) has a 1990 population of 88,257
8 according to the United States Bureau of the Census, and
9 operating on May 1, 1994 shall be allocated by
10 appropriation as follows:

11 Two-sevenths to the Department of Agriculture.
12 Fifty percent of this two-sevenths shall be used to
13 promote the Illinois horse racing and breeding
14 industry, and shall be distributed by the Department of
15 Agriculture upon the advice of a 9-member committee
16 appointed by the Governor consisting of the following
17 members: the Director of Agriculture, who shall serve
18 as chairman; 2 representatives of organization
19 licensees conducting thoroughbred race meetings in
20 this State, recommended by those licensees; 2
21 representatives of organization licensees conducting
22 standardbred race meetings in this State, recommended
23 by those licensees; a representative of the Illinois
24 Thoroughbred Breeders and Owners Foundation,
25 recommended by that Foundation; a representative of
26 the Illinois Standardbred Owners and Breeders
27 Association, recommended by that Association; a
28 representative of the Horsemen's Benevolent and
29 Protective Association or any successor organization
30 thereto established in Illinois comprised of the
31 largest number of owners and trainers, recommended by
32 that Association or that successor organization; and a
33 representative of the Illinois Harness Horsemen's
34 Association, recommended by that Association.
35 Committee members shall serve for terms of 2 years,
36 commencing January 1 of each even-numbered year. If a

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

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

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

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

29 Two-sevenths to the Department of Agriculture.
30 Fifty percent of this two-sevenths shall be used to
31 promote the Illinois horse racing and breeding
32 industry, and shall be distributed by the Department of
33 Agriculture upon the advice of a 9-member committee
34 appointed by the Governor consisting of the following
35 members: the Director of Agriculture, who shall serve
36 as chairman; 2 representatives of organization

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

30 Four-sevenths to museums and aquariums located in
31 park districts of over 500,000 population; provided
32 that the monies are distributed in accordance with the
33 previous year's distribution of the maintenance tax
34 for such museums and aquariums as provided in Section 2
35 of the Park District Aquarium and Museum Act; and

36 One-seventh to the Agricultural Premium Fund to be

1 used for distribution to agricultural home economics
2 extension councils in accordance with "An Act in
3 relation to additional support and finances for the
4 Agricultural and Home Economic Extension Councils in
5 the several counties of this State and making an
6 appropriation therefor", approved July 24, 1967. This
7 subparagraph (C) shall be inoperative and of no force
8 and effect on and after January 1, 2000.

9 (C-5) There is hereby created the Horse Racing Tax
10 Allocation Fund. All moneys paid into the Horse Racing Tax
11 Allocation Fund pursuant to this paragraph (11) by
12 inter-track wagering location licensees located in park
13 districts of 500,000 population or less, or in a
14 municipality that is not included within any park district
15 but is included within a conservation district and is the
16 county seat of a county that (i) is contiguous to the state
17 of Indiana and (ii) has a 1990 population of 88,257
18 according to the United States Bureau of the Census, and
19 operating on July 1, 2004 shall be allocated by
20 appropriation as follows:

21 Two-sevenths to the Department of Agriculture.
22 Fifty percent of this two-sevenths shall be used to
23 promote the Illinois horse racing and breeding
24 industry, and shall be distributed by the Department of
25 Agriculture upon the advice of a 9-member committee
26 appointed by the Governor consisting of the following
27 members: the Director of Agriculture, who shall serve
28 as chairman; 2 representatives of organization
29 licensees conducting thoroughbred race meetings in
30 this State, recommended by those licensees; 2
31 representatives of organization licensees conducting
32 standardbred race meetings in this State, recommended
33 by those licensees; a representative of the Illinois
34 Thoroughbred Breeders and Owners Foundation,
35 recommended by that Foundation; a representative of
36 the Illinois Standardbred Owners and Breeders

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

22 Four-sevenths to park districts or municipalities
23 that do not have a park district of 500,000 population
24 or less for museum purposes (if an inter-track wagering
25 location licensee is located in such a park district)
26 or to conservation districts for museum purposes (if an
27 inter-track wagering location licensee is located in a
28 municipality that is not included within any park
29 district but is included within a conservation
30 district and is the county seat of a county that (i) is
31 contiguous to the state of Indiana and (ii) has a 1990
32 population of 88,257 according to the United States
33 Bureau of the Census, except that if the conservation
34 district does not maintain a museum, the monies shall
35 be allocated equally between the county and the
36 municipality in which the inter-track wagering

1 location licensee is located for general purposes) or
2 to a municipal recreation board for park purposes (if
3 an inter-track wagering location licensee is located
4 in a municipality that is not included within any park
5 district and park maintenance is the function of the
6 municipal recreation board and the municipality has a
7 1990 population of 9,302 according to the United States
8 Bureau of the Census); provided that the moneys are
9 distributed to each park district or conservation
10 district or municipality that does not have a park
11 district in an amount equal to four-sevenths of the
12 amount collected by each inter-track wagering location
13 licensee within the park district or conservation
14 district or municipality for the Fund. Any park
15 district or municipality not maintaining a museum may
16 deposit the monies in the corporate fund of the park
17 district or municipality where the inter-track
18 wagering location is located, to be used for general
19 purposes; and

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

27 All other moneys paid into the Horse Racing Tax
28 Allocation Fund pursuant to this paragraph (11) shall be
29 allocated by appropriation as follows:

30 Two-sevenths to the Department of Agriculture.
31 Fifty percent of this two-sevenths shall be used to
32 promote the Illinois horse racing and breeding
33 industry, and shall be distributed by the Department of
34 Agriculture upon the advice of a 9-member committee
35 appointed by the Governor consisting of the following
36 members: the Director of Agriculture, who shall serve

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

31 Four-sevenths to museums and aquariums located in
32 park districts of over 500,000 population; provided
33 that the monies are distributed in accordance with the
34 previous year's distribution of the maintenance tax
35 for such museums and aquariums as provided in Section 2
36 of the Park District Aquarium and Museum Act; and

1 One-seventh to the Agricultural Premium Fund to be
2 used for distribution to agricultural home economics
3 extension councils in accordance with "An Act in
4 relation to additional support and finances for the
5 Agricultural and Home Economic Extension Councils in
6 the several counties of this State and making an
7 appropriation therefor", approved July 24, 1967.

8 (D) Except as provided in paragraph (11) of this
9 subsection (h), with respect to purse allocation from
10 intertrack wagering, the monies so retained shall be
11 divided as follows:

12 (i) If the inter-track wagering licensee,
13 except an intertrack wagering licensee that
14 derives its license from an organization licensee
15 located in a county with a population in excess of
16 230,000 and bounded by the Mississippi River, is
17 not conducting its own race meeting during the same
18 dates, then the entire purse allocation shall be to
19 purses at the track where the races wagered on are
20 being conducted.

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

32 (iii) If the inter-track wagering is being
33 conducted by an inter-track wagering location
34 licensee, except an intertrack wagering location
35 licensee that derives its license from an
36 organization licensee located in a county with a

1 population in excess of 230,000 and bounded by the
2 Mississippi River, the entire purse allocation for
3 Illinois races shall be to purses at the track
4 where the race meeting being wagered on is being
5 held.

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

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

20 (B) The Board, and any person or persons to whom it
21 delegates this power, is vested with the power to enter
22 the facilities of any licensee to determine whether
23 there has been compliance with the provisions of this
24 Act and the rules and regulations relating to the
25 conduct of such wagering.

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

36 (D) (Blank).

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

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

14 (G) The Board is vested with the power to impose
15 civil penalties of up to \$10,000 ~~\$5,000~~ against
16 individuals and up to \$50,000 ~~\$10,000~~ against
17 licensees for each violation of any provision of this
18 Act relating to the conduct of this wagering, any rules
19 adopted by the Board, any order of the Board or any
20 other action which in the Board's discretion, is a
21 detriment or impediment to such wagering.

22 (13) The Department of Agriculture may enter into
23 agreements with licensees authorizing such licensees to
24 conduct inter-track wagering on races to be held at the
25 licensed race meetings conducted by the Department of
26 Agriculture. Such agreement shall specify the races of the
27 Department of Agriculture's licensed race meeting upon
28 which the licensees will conduct wagering. In the event
29 that a licensee conducts inter-track pari-mutuel wagering
30 on races from the Illinois State Fair or DuQuoin State Fair
31 which are in addition to the licensee's previously approved
32 racing program, those races shall be considered a separate
33 racing day for the purpose of determining the daily handle
34 and computing the privilege ~~or pari-mutuel~~ tax on that
35 daily handle as provided in Section ~~Sections 27 and 27.2~~
36 27.1. Such agreements shall be approved by the Board before

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

11 (i) Notwithstanding the other provisions of this Act, the
12 conduct of wagering at wagering facilities is authorized on all
13 days, ~~except as limited by subsection (b) of Section 19 of this~~
14 ~~Act.~~

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

16 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

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

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

32 (230 ILCS 5/26.7 new)

33 Sec. 26.7. Lottery games; raffles; charitable games. An
34 organization licensee may sell lottery tickets under the

1 Illinois Lottery Law at its race track and at its inter-track
2 wagering locations if it obtains a license under Section 10 of
3 the Illinois Lottery Law authorizing it to do so.

4 An organization licensee may conduct raffles under the
5 Raffles Act at its race track and at its inter-track wagering
6 locations if it obtains a license under Section 3 of the
7 Raffles Act authorizing it to do so.

8 An organization licensee may provide its race track and at
9 its inter-track wagering locations for charitable games under
10 the Charitable Games Act if it obtains a license under Section
11 5 of the Charitable Games Act authorizing it to do so.

12 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

13 Sec. 27. (a) In addition to the organization license fee
14 provided by this Act, except during the period until January 1,
15 2000 through June 30, 2004, a graduated privilege tax is hereby
16 imposed for conducting the pari-mutuel system of wagering
17 permitted under this Act. Except during the period Until
18 January 1, 2000 through June 30, 2004, ~~except as provided in~~
19 ~~subsection (g) of Section 27 of this Act,~~ all of the breakage
20 of each racing day held by any licensee in the State shall be
21 paid to the State. Except during the period Until January 1,
22 2000 through June 30, 2004, such daily graduated privilege tax
23 shall be paid by the licensee from the amount permitted to be
24 retained under this Act. Until January 1, 2000, each day's
25 graduated privilege tax, breakage, and Horse Racing Tax
26 Allocation funds shall be remitted to the Department of Revenue
27 within 48 hours after the close of the racing day upon which it
28 is assessed or within such other time as the Board prescribes.
29 Beginning July 1, 2004, each day's privilege tax, breakage, and
30 Illinois Horse Racing Tax Allocation funds shall be remitted to
31 the Department of Revenue within 48 hours of the close of the
32 racing day upon which it is collected or within such other time
33 as the Board may prescribe. The privilege tax hereby imposed,
34 ~~until January 1, 2000,~~ shall be a flat tax at the rate of 2% of
35 the daily pari-mutuel handle except as provided in Section 27.2

1 ~~27.1.~~

2 In addition, every organization licensee, except as
3 provided in Section 27.2 ~~27.1~~ of this Act, which conducts
4 multiple wagering shall pay, except during the period ~~until~~
5 January 1, 2000 through June 30, 2004, as a privilege tax on
6 multiple wagers an amount equal to 1.25% of all moneys wagered
7 each day on such multiple wagers, plus an additional amount
8 equal to 3.5% of the amount wagered each day on any other
9 multiple wager which involves a single betting interest on 3 or
10 more horses. The licensee shall remit the amount of such taxes
11 to the Department of Revenue within 48 hours after the close of
12 the racing day on which it is assessed or within such other
13 time as the Board prescribes.

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

16 (a-5) ~~From Beginning~~ on January 1, 2000 until July 1, 2004,
17 a flat pari-mutuel tax at the rate of 1.5% of the daily
18 pari-mutuel handle is imposed at all pari-mutuel wagering
19 facilities, which shall be remitted to the Department of
20 Revenue within 48 hours after the close of the racing day upon
21 which it is assessed or within such other time as the Board
22 prescribes.

23 (b) On or before December 31, 1999 and on or after July 1,
24 2004, if ~~in the event that~~ any organization licensee conducts 2
25 separate programs of races on any day, each such program shall
26 be considered a separate racing day for purposes of determining
27 the daily handle and computing the privilege tax on such daily
28 handle as provided in subsection (a) of this Section.

29 (c) Licensees shall at all times keep accurate books and
30 records of all monies wagered on each day of a race meeting and
31 of the taxes paid to the Department of Revenue under the
32 provisions of this Section. The Board or its duly authorized
33 representative or representatives shall at all reasonable
34 times have access to such records for the purpose of examining
35 and checking the same and ascertaining whether the proper
36 amount of taxes is being paid as provided. The Board shall

1 require verified reports and a statement of the total of all
2 monies wagered daily at each wagering facility upon which the
3 taxes are assessed and may prescribe forms upon which such
4 reports and statement shall be made.

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

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

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

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

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

20 (ii) each thoroughbred and standardbred organization
21 licensee issued an organization licensee in that
22 succeeding allocation year shall be allocated an amount
23 equal to the product of its percentage of total Illinois
24 live thoroughbred or standardbred wagering in calendar
25 year 1994 (the total to be determined based on the sum of
26 1994 on-track wagering for all organization licensees
27 issued organization licenses in both the allocation year
28 and the preceding year) multiplied by the total amount
29 allocated for standardbred or thoroughbred purses,
30 provided that the first \$1,500,000 of the amount allocated
31 to standardbred purses under item (i) shall be allocated to
32 the Department of Agriculture to be expended with the
33 assistance and advice of the Illinois Standardbred
34 Breeders Funds Advisory Board for the purposes listed in
35 subsection (g) of Section 31 of this Act, before the amount
36 allocated to standardbred purses under item (i) is

1 allocated to standardbred organization licensees in the
2 succeeding allocation year.

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

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

9 (230 ILCS 5/27.2 new)

10 Sec. 27.2. Daily graduated tax. An organization licensee
11 whose track facilities operated in a county with fewer than
12 400,000 inhabitants on or before June 1, 1986, shall be subject
13 to a daily graduated tax of 1% of the first \$400,000 of daily
14 pari-mutuel handle and 2% of such handle in excess of \$400,000.

15 Every inter-track wagering licensee and inter-track
16 wagering location licensee shall be subject to a daily
17 graduated tax of 1% of the first \$400,000 of its daily
18 pari-mutuel handle and 2% of such handle in excess of \$400,000.

19 An organization licensee whose track facilities operated
20 in a county with fewer than 400,000 inhabitants on or before
21 June 1, 1986, every inter-track wagering licensee, and every
22 inter-track wagering location licensee shall pay as a privilege
23 tax on multiple wagers an amount equal to 0.75% of all moneys
24 wagered each day on such multiple wagers, plus an additional
25 amount equal to 2.5% of the amount wagered each day on any
26 other multiple wager which involves a single betting interest
27 on 3 or more horses.

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

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

32 (a) Thirty per cent of the total of all monies received by
33 the State as privilege taxes shall be paid into the
34 Metropolitan Fair and Exposition Authority Reconstruction Fund

1 in the State treasury until such Fund contains sufficient money
2 to pay in full, both principal and interest, all of the
3 outstanding bonds issued pursuant to the Fair and Exposition
4 Authority Reconstruction Act, approved July 31, 1967, as
5 amended, and thereafter shall be paid into the Metropolitan
6 Exposition Auditorium and Office Building Fund in the State
7 Treasury.

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

12 (c) Fifty per cent of the total of all monies received by
13 the State as privilege taxes under the provisions of this Act
14 shall be paid into the Agricultural Premium Fund.

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

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

29 (f) The monies provided for in Section 31 shall be paid
30 into the Illinois Standardbred Breeders Fund.

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

36 (g-5) Beginning July 1, 2004, that part representing 50% of

1 the total breakage in Thoroughbred, Harness, Appaloosa,
2 Arabian, and Quarter Horse racing in the State shall be paid
3 into the Illinois Race Track Improvement Fund as established in
4 Section 32.2.

5 (h) All other monies received by the Board under this Act
6 shall be paid into the General Revenue Fund of the State.

7 (i) The salaries of the Board members, secretary, stewards,
8 directors of mutuels, veterinarians, representatives,
9 accountants, clerks, stenographers, inspectors and other
10 employees of the Board, and all expenses of the Board incident
11 to the administration of this Act, including, but not limited
12 to, all expenses and salaries incident to the taking of saliva
13 and urine samples in accordance with the rules and regulations
14 of the Board shall be paid out of the Agricultural Premium
15 Fund.

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

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

20 (2) for the distribution to county fairs, vocational
21 agriculture section fairs, agricultural societies, and
22 agricultural extension clubs in accordance with the
23 Agricultural Fair Act, as amended;

24 (3) for payment of prize monies and premiums awarded
25 and for expenses incurred in connection with the
26 International Livestock Exposition and the Mid-Continent
27 Livestock Exposition held in Illinois, which premiums, and
28 awards must be approved, and paid by the Illinois
29 Department of Agriculture;

30 (4) for personal service of county agricultural
31 advisors and county home advisors;

32 (5) for distribution to agricultural home economic
33 extension councils in accordance with "An Act in relation
34 to additional support and finance for the Agricultural and
35 Home Economic Extension Councils in the several counties in
36 this State and making an appropriation therefor", approved

1 July 24, 1967, as amended;

2 (6) for research on equine disease, including a
3 development center therefor;

4 (7) for training scholarships for study on equine
5 diseases to students at the University of Illinois College
6 of Veterinary Medicine;

7 (8) for the rehabilitation, repair and maintenance of
8 the Illinois and DuQuoin State Fair Grounds and the
9 structures and facilities thereon and the construction of
10 permanent improvements on such Fair Grounds, including
11 such structures, facilities and property located on such
12 State Fair Grounds which are under the custody and control
13 of the Department of Agriculture;

14 (9) for the expenses of the Department of Agriculture
15 under Section 5-530 of the Departments of State Government
16 Law (20 ILCS 5/5-530);

17 (10) for the expenses of the Department of Commerce and
18 Economic Opportunity ~~Community Affairs~~ under Sections
19 605-620, 605-625, and 605-630 of the Department of Commerce
20 and Economic Opportunity ~~Community Affairs~~ Law (20 ILCS
21 605/605-620, 605/605-625, and 605/605-630);

22 (11) for remodeling, expanding, and reconstructing
23 facilities destroyed by fire of any Fair and Exposition
24 Authority in counties with a population of 1,000,000 or
25 more inhabitants;

26 (12) for the purpose of assisting in the care and
27 general rehabilitation of disabled veterans of any war and
28 their surviving spouses and orphans;

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

31 (14) for the Department of Agriculture for soil surveys
32 and soil and water conservation purposes;

33 (15) for the Department of Agriculture for grants to
34 the City of Chicago for conducting the Chicagofest.

35 (k) To the extent that monies paid by the Board to the
36 Agricultural Premium Fund are in the opinion of the Governor in

1 excess of the amount necessary for the purposes herein stated,
2 the Governor shall notify the Comptroller and the State
3 Treasurer of such fact, who, upon receipt of such notification,
4 shall transfer such excess monies from the Agricultural Premium
5 Fund to the General Revenue Fund.

6 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 92-16,
7 eff. 6-28-01; revised 12-6-03.)

8 (230 ILCS 5/29) (from Ch. 8, par. 37-29)

9 Sec. 29. (a) After the privilege ~~or pari mutuel~~ tax
10 established in Sections 26(f), 27, and 27.2 ~~27.1~~ is paid to the
11 State from the monies retained by the organization licensee
12 pursuant to Sections 26, 26.2, and 26.3, the remainder of those
13 monies retained pursuant to Sections 26 and 26.2, except as
14 provided in subsection (g) of Section 27 of this Act, shall be
15 allocated evenly to the organization licensee and as purses.

16 (b) (Blank).

17 (c) (Blank).

18 (d) Each organization licensee and inter-track wagering
19 licensee from the money retained for purses as set forth in
20 subsection (a) of this Section, shall pay to an organization
21 representing the largest number of horse owners and trainers
22 which has negotiated a contract with the organization licensee
23 for such purpose an amount equal to at least 1% of the
24 organization licensee's and inter-track wagering licensee's
25 retention of the pari-mutuel handle for the racing season. Each
26 inter-track wagering location licensee, from the 4% of its
27 handle required to be paid as purses under paragraph (11) of
28 subsection (h) of Section 26 of this Act, shall pay to the
29 contractually established representative organization 2% of
30 that 4%, provided that the payments so made to the organization
31 shall not exceed a total of \$125,000 in any calendar year. Such
32 contract shall be negotiated and signed prior to the beginning
33 of the racing season.

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

1 (230 ILCS 5/32.2 new)

2 Sec. 32.2. Illinois Race Track Improvement Fund.

3 (a) There is hereby created in the State Treasury a fund to
4 be known as the Illinois Race Track Improvement Fund, referred
5 to in this Section as the Fund, to consist of monies paid into
6 it pursuant to Section 28. Moneys credited to the Fund shall be
7 distributed by the Treasurer on order of the Board.

8 (b) Fifty percent of the breakage of each meeting shall be
9 collected by the Department of Revenue and deposited with the
10 State Treasurer in an account established for each organization
11 licensee who held such meeting at any track in a given racing
12 year.

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

27 (d) Monies shall be distributed from the Fund to tracks for
28 the cost of erection, improving or acquisition of seating
29 stands, buildings or other structures, ground or track, for the
30 necessary purchase or required restoration of depreciable
31 property and equipment used in the operation of a race track,
32 or for the payment of the cost of amortization of debt
33 contracted with the approval of the Board for any or all such
34 purposes. The fund shall also be used to reimburse race tracks
35 for the added expenses incurred when it is necessary to
36 establish training facilities for horses eligible to compete at

1 operating race tracks due to the existence of an overflow of
2 eligible horses using the training facilities at the operating
3 tracks, or if it is determined by the Board to be in the best
4 interests of racing.

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

9 (f) The Board shall keep accurate records of moneys
10 deposited in each account for each licensee. If in any given
11 year a track does not tender any application for moneys from
12 the Fund or tenders an application which is not in accordance
13 with the provisions of this Section the Department of Revenue
14 shall allow such unexpended moneys to remain in the account for
15 utilization at a later date in accordance with subsections (c)
16 through (e).

17 Section 15. The Riverboat Gambling Act is amended by
18 changing Section 13 as follows:

19 (230 ILCS 10/13) (from Ch. 120, par. 2413)

20 Sec. 13. Wagering tax; rate; distribution.

21 (a) Until January 1, 1998, a tax is imposed on the adjusted
22 gross receipts received from gambling games authorized under
23 this Act at the rate of 20%.

24 (a-1) From January 1, 1998 until July 1, 2002, a privilege
25 tax is imposed on persons engaged in the business of conducting
26 riverboat gambling operations, based on the adjusted gross
27 receipts received by a licensed owner from gambling games
28 authorized under this Act at the following rates:

29 15% of annual adjusted gross receipts up to and
30 including \$25,000,000;

31 20% of annual adjusted gross receipts in excess of
32 \$25,000,000 but not exceeding \$50,000,000;

33 25% of annual adjusted gross receipts in excess of
34 \$50,000,000 but not exceeding \$75,000,000;

1 30% of annual adjusted gross receipts in excess of
2 \$75,000,000 but not exceeding \$100,000,000;

3 35% of annual adjusted gross receipts in excess of
4 \$100,000,000.

5 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
6 is imposed on persons engaged in the business of conducting
7 riverboat gambling operations, other than licensed managers
8 conducting riverboat gambling operations on behalf of the
9 State, based on the adjusted gross receipts received by a
10 licensed owner from gambling games authorized under this Act at
11 the following rates:

12 15% of annual adjusted gross receipts up to and
13 including \$25,000,000;

14 22.5% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 27.5% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 32.5% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 37.5% of annual adjusted gross receipts in excess of
21 \$100,000,000 but not exceeding \$150,000,000;

22 45% of annual adjusted gross receipts in excess of
23 \$150,000,000 but not exceeding \$200,000,000;

24 50% of annual adjusted gross receipts in excess of
25 \$200,000,000.

26 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
27 persons engaged in the business of conducting riverboat
28 gambling operations, other than licensed managers conducting
29 riverboat gambling operations on behalf of the State, based on
30 the adjusted gross receipts received by a licensed owner from
31 gambling games authorized under this Act at the following
32 rates:

33 15% of annual adjusted gross receipts up to and
34 including \$25,000,000;

35 27.5% of annual adjusted gross receipts in excess of
36 \$25,000,000 but not exceeding \$37,500,000;

1 32.5% of annual adjusted gross receipts in excess of
2 \$37,500,000 but not exceeding \$50,000,000;

3 37.5% of annual adjusted gross receipts in excess of
4 \$50,000,000 but not exceeding \$75,000,000;

5 45% of annual adjusted gross receipts in excess of
6 \$75,000,000 but not exceeding \$100,000,000;

7 50% of annual adjusted gross receipts in excess of
8 \$100,000,000 but not exceeding \$250,000,000;

9 70% of annual adjusted gross receipts in excess of
10 \$250,000,000.

11 An amount equal to the amount of wagering taxes collected
12 under this subsection (a-3) that are in addition to the amount
13 of wagering taxes that would have been collected if the
14 wagering tax rates under subsection (a-2) were in effect shall
15 be paid into the Common School Fund.

16 The privilege tax imposed under this subsection (a-3) shall
17 no longer be imposed beginning on the earlier of (i) July 1,
18 2005; (ii) the first date after June 20, 2003 ~~the effective~~
19 ~~date of this amendatory Act of the 93rd General Assembly~~ that
20 riverboat gambling operations are conducted pursuant to a
21 dormant license; or (iii) the first day that riverboat gambling
22 operations are conducted under the authority of an owners
23 license that is in addition to the 10 owners licenses initially
24 authorized under this Act. For the purposes of this subsection
25 (a-3), the term "dormant license" means an owners license that
26 is authorized by this Act under which no riverboat gambling
27 operations are being conducted on June 20, 2003 ~~the effective~~
28 ~~date of this amendatory Act of the 93rd General Assembly~~.

29 (a-4) Beginning on the first day on which the tax imposed
30 under subsection (a-3) is no longer imposed, a privilege tax is
31 imposed on persons engaged in the business of conducting
32 riverboat gambling operations, other than licensed managers
33 conducting riverboat gambling operations on behalf of the
34 State, based on the adjusted gross receipts received by a
35 licensed owner from gambling games authorized under this Act at
36 the following rates:

1 15% of annual adjusted gross receipts up to and
2 including \$25,000,000;

3 22.5% of annual adjusted gross receipts in excess of
4 \$25,000,000 but not exceeding \$50,000,000;

5 27.5% of annual adjusted gross receipts in excess of
6 \$50,000,000 but not exceeding \$75,000,000;

7 32.5% of annual adjusted gross receipts in excess of
8 \$75,000,000 but not exceeding \$100,000,000;

9 37.5% of annual adjusted gross receipts in excess of
10 \$100,000,000 but not exceeding \$150,000,000;

11 45% of annual adjusted gross receipts in excess of
12 \$150,000,000 but not exceeding \$200,000,000;

13 50% of annual adjusted gross receipts in excess of
14 \$200,000,000.

15 (a-8) Riverboat gambling operations conducted by a
16 licensed manager on behalf of the State are not subject to the
17 tax imposed under this Section.

18 (a-10) The taxes imposed by this Section shall be paid by
19 the licensed owner to the Board not later than 3:00 o'clock
20 p.m. of the day after the day when the wagers were made.

21 (b) Until January 1, 1998, 25% of the tax revenue deposited
22 in the State Gaming Fund under this Section shall be paid,
23 subject to appropriation by the General Assembly, to the unit
24 of local government which is designated as the home dock of the
25 riverboat. Beginning January 1, 1998, from the tax revenue
26 deposited in the State Gaming Fund under this Section, an
27 amount equal to 5% of adjusted gross receipts generated by a
28 riverboat shall be paid monthly, subject to appropriation by
29 the General Assembly, to the unit of local government that is
30 designated as the home dock of the riverboat. From the tax
31 revenue deposited in the State Gaming Fund pursuant to
32 riverboat gambling operations conducted by a licensed manager
33 on behalf of the State, an amount equal to 5% of adjusted gross
34 receipts generated pursuant to those riverboat gambling
35 operations shall be paid monthly, subject to appropriation by
36 the General Assembly, to the unit of local government that is

1 designated as the home dock of the riverboat upon which those
2 riverboat gambling operations are conducted.

3 (c) Appropriations, as approved by the General Assembly,
4 may be made from the State Gaming Fund to the Department of
5 Revenue and the Department of State Police for the
6 administration and enforcement of this Act, or to the
7 Department of Human Services for the administration of programs
8 to treat problem gambling.

9 (c-5) (Blank). ~~After the payments required under~~
10 ~~subsections (b) and (c) have been made, an amount equal to 15%~~
11 ~~of the adjusted gross receipts of (1) an owners licensee that~~
12 ~~relocates pursuant to Section 11.2, (2) an owners licensee~~
13 ~~license conducting riverboat gambling operations pursuant to~~
14 ~~an owners license that is initially issued after June 25, 1999,~~
15 ~~or (3) the first riverboat gambling operations conducted by a~~
16 ~~licensed manager on behalf of the State under Section 7.3 7.2,~~
17 ~~whichever comes first, shall be paid from the State Gaming Fund~~
18 ~~into the Horse Racing Equity Fund.~~

19 (c-10) (Blank). ~~Each year the General Assembly shall~~
20 ~~appropriate from the General Revenue Fund to the Education~~
21 ~~Assistance Fund an amount equal to the amount paid into the~~
22 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~
23 ~~prior calendar year.~~

24 (c-15) After the payments required under subsections (b)
25 and, (c), ~~and (c-5)~~ have been made, an amount equal to 2% of
26 the adjusted gross receipts of (1) an owners licensee that
27 relocates pursuant to Section 11.2, (2) an owners licensee
28 conducting riverboat gambling operations pursuant to an owners
29 license that is initially issued after June 25, 1999, or (3)
30 the first riverboat gambling operations conducted by a licensed
31 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
32 comes first, shall be paid, subject to appropriation from the
33 General Assembly, from the State Gaming Fund to each home rule
34 county with a population of over 3,000,000 inhabitants for the
35 purpose of enhancing the county's criminal justice system.

36 (c-20) Each year the General Assembly shall appropriate

1 from the General Revenue Fund to the Education Assistance Fund
2 an amount equal to the amount paid to each home rule county
3 with a population of over 3,000,000 inhabitants pursuant to
4 subsection (c-15) in the prior calendar year.

5 (c-25) After the payments required under subsections (b),
6 (c), ~~(c-5)~~ and (c-15) have been made, an amount equal to 2% of
7 the adjusted gross receipts of (1) an owners licensee ~~license~~
8 that relocates pursuant to Section 11.2, (2) an owners licensee
9 ~~license~~ conducting riverboat gambling operations pursuant to
10 an owners license that is initially issued after June 25, 1999,
11 or (3) the first riverboat gambling operations conducted by a
12 licensed manager on behalf of the State under Section 7.3 ~~7.2~~,
13 whichever comes first, shall be paid from the State Gaming Fund
14 to Chicago State University.

15 (d) From time to time, the Board shall transfer the
16 remainder of the funds generated by this Act into the Education
17 Assistance Fund, created by Public Act 86-0018, of the State of
18 Illinois.

19 (e) Nothing in this Act shall prohibit the unit of local
20 government designated as the home dock of the riverboat from
21 entering into agreements with other units of local government
22 in this State or in other states to share its portion of the
23 tax revenue.

24 (f) To the extent practicable, the Board shall administer
25 and collect the wagering taxes imposed by this Section in a
26 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
27 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
28 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
29 Penalty and Interest Act.

30 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
31 eff. 6-20-03; revised 1-28-04.)

32 Section 20. The State Finance Act is amended by adding
33 Sections 5.625 and 5.626 as follows:

34 (30 ILCS 105/5.625 new)

1 Sec. 5.625. The Illinois Race Track Improvement Fund.

2 (30 ILCS 105/5.626 new)

3 Sec. 5.626. The Horse Racing Tax Allocation Fund.

4 (230 ILCS 5/28.1 rep.)

5 (230 ILCS 5/32 rep.)

6 (230 ILCS 5/32.1 rep.)

7 (230 ILCS 5/54 rep.)

8 Section 25. The Illinois Horse Racing Act of 1975 is
9 amended by repealing Sections 28.1, 32, 32.1, and 54.

10 Section 99. Effective date. This Act takes effect July 1,
11 2004.