

SB3864



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3864

Introduced 2/14/2020, by Sen. Jil Tracy

SYNOPSIS AS INTRODUCED:

230 ILCS 5/31

from Ch. 8, par. 37-31

Amends the Illinois Horse Racing Act of 1975. In provisions concerning stallions that qualify for Illinois Standardbred Breeders Fund breeding, removes language requiring the stallion to be owned by a resident of Illinois or a corporation in which all shareholders, directors, officers, and incorporators are residents of Illinois. Removes language prohibiting semen from being transported outside of Illinois. Removes language requiring the stallion's owner to be a resident of Illinois the previous 12 months. Removes language requiring that certain agreements for ownership or transfer of interest in a stallion must restrict ownership or transfer of interest to a resident of Illinois.

LRB101 17542 SMS 66959 b

A BILL FOR

1 AN ACT concerning gaming.

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

4 Section 5. The Illinois Horse Racing Act of 1975 is amended
5 by changing Section 31 as follows:

6 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

7 Sec. 31. (a) The General Assembly declares that it is the
8 policy of this State to encourage the breeding of standardbred
9 horses in this State and the ownership of such horses by
10 residents of this State in order to provide for: sufficient
11 numbers of high quality standardbred horses to participate in
12 harness racing meetings in this State, and to establish and
13 preserve the agricultural and commercial benefits of such
14 breeding and racing industries to the State of Illinois. It is
15 the intent of the General Assembly to further this policy by
16 the provisions of this Section of this Act.

17 (b) Each organization licensee conducting a harness racing
18 meeting pursuant to this Act shall provide for at least two
19 races each race program limited to Illinois conceived and
20 foaled horses. A minimum of 6 races shall be conducted each
21 week limited to Illinois conceived and foaled horses. No horses
22 shall be permitted to start in such races unless duly
23 registered under the rules of the Department of Agriculture.

1 (b-5) Organization licensees, not including the Illinois
2 State Fair or the DuQuoin State Fair, shall provide stake races
3 and early closer races for Illinois conceived and foaled horses
4 so that purses distributed for such races shall be no less than
5 17% of total purses distributed for harness racing in that
6 calendar year in addition to any stakes payments and starting
7 fees contributed by horse owners.

8 (b-10) Each organization licensee conducting a harness
9 racing meeting pursuant to this Act shall provide an owner
10 award to be paid from the purse account equal to 12% of the
11 amount earned by Illinois conceived and foaled horses finishing
12 in the first 3 positions in races that are not restricted to
13 Illinois conceived and foaled horses. The owner awards shall
14 not be paid on races below the \$10,000 claiming class.

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

21 (d) There is hereby created a special fund of the State
22 Treasury to be known as the Illinois Standardbred Breeders
23 Fund. Beginning on June 28, 2019 (the effective date of Public
24 Act 101-31) ~~this amendatory Act of the 101st General Assembly,~~
25 the Illinois Standardbred Breeders Fund shall become a
26 non-appropriated trust fund held separate and apart from State

1 moneys. Expenditures from this Fund shall no longer be subject
2 to appropriation.

3 During the calendar year 1981, and each year thereafter,
4 except as provided in subsection (g) of Section 27 of this Act,
5 eight and one-half per cent of all the monies received by the
6 State as privilege taxes on harness racing meetings shall be
7 paid into the Illinois Standardbred Breeders Fund.

8 (e) Notwithstanding any provision of law to the contrary,
9 amounts deposited into the Illinois Standardbred Breeders Fund
10 from revenues generated by gaming pursuant to an organization
11 gaming license issued under the Illinois Gambling Act after
12 June 28, 2019 (the effective date of Public Act 101-31) ~~this~~
13 ~~amendatory Act of the 101st General Assembly~~ shall be in
14 addition to tax and fee amounts paid under this Section for
15 calendar year 2019 and thereafter. The Illinois Standardbred
16 Breeders Fund shall be administered by the Department of
17 Agriculture with the assistance and advice of the Advisory
18 Board created in subsection (f) of this Section.

19 (f) The Illinois Standardbred Breeders Fund Advisory Board
20 is hereby created. The Advisory Board shall consist of the
21 Director of the Department of Agriculture, who shall serve as
22 Chairman; the Superintendent of the Illinois State Fair; a
23 member of the Illinois Racing Board, designated by it; a
24 representative of the largest association of Illinois
25 standardbred owners and breeders, recommended by it; a
26 representative of a statewide association representing

1 agricultural fairs in Illinois, recommended by it, such
2 representative to be from a fair at which Illinois conceived
3 and foaled racing is conducted; a representative of the
4 organization licensees conducting harness racing meetings,
5 recommended by them; a representative of the Breeder's
6 Committee of the association representing the largest number of
7 standardbred owners, breeders, trainers, caretakers, and
8 drivers, recommended by it; and a representative of the
9 association representing the largest number of standardbred
10 owners, breeders, trainers, caretakers, and drivers,
11 recommended by it. Advisory Board members shall serve for 2
12 years commencing January 1 of each odd numbered year. If
13 representatives of the largest association of Illinois
14 standardbred owners and breeders, a statewide association of
15 agricultural fairs in Illinois, the association representing
16 the largest number of standardbred owners, breeders, trainers,
17 caretakers, and drivers, a member of the Breeder's Committee of
18 the association representing the largest number of
19 standardbred owners, breeders, trainers, caretakers, and
20 drivers, and the organization licensees conducting harness
21 racing meetings have not been recommended by January 1 of each
22 odd numbered year, the Director of the Department of
23 Agriculture shall make an appointment for the organization
24 failing to so recommend a member of the Advisory Board.
25 Advisory Board members shall receive no compensation for their
26 services as members but shall be reimbursed for all actual and

1 necessary expenses and disbursements incurred in the execution
2 of their official duties.

3 (g) Monies expended from the Illinois Standardbred
4 Breeders Fund shall be expended by the Department of
5 Agriculture, with the assistance and advice of the Illinois
6 Standardbred Breeders Fund Advisory Board for the following
7 purposes only:

8 1. To provide purses for races limited to Illinois
9 conceived and foaled horses at the State Fair and the
10 DuQuoin State Fair.

11 2. To provide purses for races limited to Illinois
12 conceived and foaled horses at county fairs.

13 3. To provide purse supplements for races limited to
14 Illinois conceived and foaled horses conducted by
15 associations conducting harness racing meetings.

16 4. No less than 75% of all monies in the Illinois
17 Standardbred Breeders Fund shall be expended for purses in
18 1, 2, and 3 as shown above.

19 5. In the discretion of the Department of Agriculture
20 to provide awards to harness breeders of Illinois conceived
21 and foaled horses which win races conducted by organization
22 licensees conducting harness racing meetings. A breeder is
23 the owner of a mare at the time of conception. No more than
24 10% of all monies appropriated from the Illinois
25 Standardbred Breeders Fund shall be expended for such
26 harness breeders awards. No more than 25% of the amount

1 expended for harness breeders awards shall be expended for
2 expenses incurred in the administration of such harness
3 breeders awards.

4 6. To pay for the improvement of racing facilities
5 located at the State Fair and County fairs.

6 7. To pay the expenses incurred in the administration
7 of the Illinois Standardbred Breeders Fund.

8 8. To promote the sport of harness racing, including
9 grants up to a maximum of \$7,500 per fair per year for
10 conducting pari-mutuel wagering during the advertised
11 dates of a county fair.

12 9. To pay up to \$50,000 annually for the Department of
13 Agriculture to conduct drug testing at county fairs racing
14 standardbred horses.

15 (h) The Illinois Standardbred Breeders Fund is not subject
16 to administrative charges or chargebacks, including, but not
17 limited to, those authorized under Section 8h of the State
18 Finance Act.

19 (i) A sum equal to 13% of the first prize money of the
20 gross purse won by an Illinois conceived and foaled horse shall
21 be paid 50% by the organization licensee conducting the horse
22 race meeting to the breeder of such winning horse from the
23 organization licensee's account and 50% from the purse account
24 of the licensee. Such payment shall not reduce any award to the
25 owner of the horse or reduce the taxes payable under this Act.
26 Such payment shall be delivered by the organization licensee at

1 the end of each quarter.

2 (j) The Department of Agriculture shall, by rule, with the
3 assistance and advice of the Illinois Standardbred Breeders
4 Fund Advisory Board:

5 1. Qualify stallions for Illinois Standardbred
6 Breeders Fund breeding; ~~such stallion shall be owned by a~~
7 ~~resident of the State of Illinois or by an Illinois~~
8 ~~corporation all of whose shareholders, directors, officers~~
9 ~~and incorporators are residents of the State of Illinois.~~
10 Such stallion shall stand for service at and within the
11 State of Illinois at the time of a foal's conception, and
12 such stallion must not stand for service at any place, ~~nor~~
13 ~~may semen from such stallion be transported,~~ outside the
14 State of Illinois during that calendar year in which the
15 foal is conceived ~~and that the owner of the stallion was~~
16 ~~for the 12 months prior, a resident of Illinois.~~ However,
17 from January 1, 2018 until January 1, 2022, semen from an
18 Illinois stallion may be transported outside the State of
19 Illinois. ~~The articles of agreement of any partnership,~~
20 ~~joint venture, limited partnership, syndicate, association~~
21 ~~or corporation and any bylaws and stock certificates must~~
22 ~~contain a restriction that provides that the ownership or~~
23 ~~transfer of interest by any one of the persons a party to~~
24 ~~the agreement can only be made to a person who qualifies as~~
25 ~~an Illinois resident.~~

26 2. Provide for the registration of Illinois conceived

1 and foaled horses and no such horse shall compete in the
2 races limited to Illinois conceived and foaled horses
3 unless registered with the Department of Agriculture. The
4 Department of Agriculture may prescribe such forms as may
5 be necessary to determine the eligibility of such horses.
6 No person shall knowingly prepare or cause preparation of
7 an application for registration of such foals containing
8 false information. A mare (dam) must be in the State at
9 least 30 days prior to foaling or remain in the State at
10 least 30 days at the time of foaling. However, the
11 requirement that a mare (dam) must be in the State at least
12 30 days before foaling or remain in the State at least 30
13 days at the time of foaling shall not be in effect from
14 January 1, 2018 until January 1, 2022. Beginning with the
15 1996 breeding season and for foals of 1997 and thereafter,
16 a foal conceived by transported semen may be eligible for
17 Illinois conceived and foaled registration provided all
18 breeding and foaling requirements are met. The stallion
19 must be qualified for Illinois Standardbred Breeders Fund
20 breeding at the time of conception and the mare must be
21 inseminated within the State of Illinois. The foal must be
22 dropped in Illinois and properly registered with the
23 Department of Agriculture in accordance with this Act.
24 However, from January 1, 2018 until January 1, 2022, the
25 requirement for a mare to be inseminated within the State
26 of Illinois and the requirement for a foal to be dropped in

1 Illinois are inapplicable.

2 3. Provide that at least a 5-day racing program shall
3 be conducted at the State Fair each year, unless an
4 alternate racing program is requested by the Illinois
5 Standardbred Breeders Fund Advisory Board, which program
6 shall include at least the following races limited to
7 Illinois conceived and foaled horses: (a) a 2-year-old ~~two~~
8 ~~year-old~~ Trot and Pace, and Filly Division of each; (b) a
9 3-year-old ~~three year-old~~ Trot and Pace, and Filly Division
10 of each; (c) an aged Trot and Pace, and Mare Division of
11 each.

12 4. Provide for the payment of nominating, sustaining
13 and starting fees for races promoting the sport of harness
14 racing and for the races to be conducted at the State Fair
15 as provided in subsection (j) 3 of this Section provided
16 that the nominating, sustaining and starting payment
17 required from an entrant shall not exceed 2% of the purse
18 of such race. All nominating, sustaining and starting
19 payments shall be held for the benefit of entrants and
20 shall be paid out as part of the respective purses for such
21 races. Nominating, sustaining and starting fees shall be
22 held in trust accounts for the purposes as set forth in
23 this Act and in accordance with Section 205-15 of the
24 Department of Agriculture Law.

25 5. Provide for the registration with the Department of
26 Agriculture of Colt Associations or county fairs desiring

1 to sponsor races at county fairs.

2 6. Provide for the promotion of producing standardbred
3 racehorses by providing a bonus award program for owners of
4 2-year-old horses that win multiple major stakes races that
5 are limited to Illinois conceived and foaled horses.

6 (k) The Department of Agriculture, with the advice and
7 assistance of the Illinois Standardbred Breeders Fund Advisory
8 Board, may allocate monies for purse supplements for such
9 races. In determining whether to allocate money and the amount,
10 the Department of Agriculture shall consider factors,
11 including, but not limited to, the amount of money appropriated
12 for the Illinois Standardbred Breeders Fund program, the number
13 of races that may occur, and an organization licensee's purse
14 structure. The organization licensee shall notify the
15 Department of Agriculture of the conditions and minimum purses
16 for races limited to Illinois conceived and foaled horses to be
17 conducted by each organization licensee conducting a harness
18 racing meeting for which purse supplements have been
19 negotiated.

20 (l) All races held at county fairs and the State Fair which
21 receive funds from the Illinois Standardbred Breeders Fund
22 shall be conducted in accordance with the rules of the United
23 States Trotting Association unless otherwise modified by the
24 Department of Agriculture.

25 (m) At all standardbred race meetings held or conducted
26 under authority of a license granted by the Board, and at all

1 standardbred races held at county fairs which are approved by
2 the Department of Agriculture or at the Illinois or DuQuoin
3 State Fairs, no one shall jog, train, warm up or drive a
4 standardbred horse unless he or she is wearing a protective
5 safety helmet, with the chin strap fastened and in place, which
6 meets the standards and requirements as set forth in the 1984
7 Standard for Protective Headgear for Use in Harness Racing and
8 Other Equestrian Sports published by the Snell Memorial
9 Foundation, or any standards and requirements for headgear the
10 Illinois Racing Board may approve. Any other standards and
11 requirements so approved by the Board shall equal or exceed
12 those published by the Snell Memorial Foundation. Any
13 equestrian helmet bearing the Snell label shall be deemed to
14 have met those standards and requirements.

15 (Source: P.A. 100-777, eff. 8-10-18; 101-31, eff. 6-28-19;
16 101-157, eff. 7-26-19; revised 9-27-19.)