

SB0909



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB0909

Introduced 2/25/2021, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

230 ILCS 5/30

from Ch. 8, par. 37-30

Amends the Illinois Horse Racing Act of 1975. Makes a technical change in a Section concerning thoroughbred horses.

LRB102 04742 SMS 14761 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
5 amended by changing Section 30 as follows:

6 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

7 Sec. 30. (a) The ~~The~~ General Assembly declares that it is
8 the policy of this State to encourage the breeding of
9 thoroughbred horses in this State and the ownership of such
10 horses by residents of this State in order to provide for:
11 sufficient numbers of high quality thoroughbred horses to
12 participate in thoroughbred racing meetings in this State, and
13 to establish and preserve the agricultural and commercial
14 benefits of such breeding and racing industries to the State
15 of Illinois. It is the intent of the General Assembly to
16 further this policy by the provisions of this Act.

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

1 the rules of the Department of Agriculture.

2 (c) Conditions of races under subsection (b) shall be
3 commensurate with past performance, quality, and class of
4 Illinois conceived and foaled and Illinois foaled horses
5 available. If, however, sufficient competition cannot be had
6 among horses of that class on any day, the races may, with
7 consent of the Board, be eliminated for that day and
8 substitute races provided.

9 (d) There is hereby created a special fund of the State
10 Treasury to be known as the Illinois Thoroughbred Breeders
11 Fund.

12 Beginning on the effective date of this amendatory Act of
13 the 101st General Assembly, the Illinois Thoroughbred Breeders
14 Fund shall become a non-appropriated trust fund held separate
15 from State moneys. Expenditures from this Fund shall no longer
16 be subject to appropriation.

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

21 Notwithstanding any provision of law to the contrary,
22 amounts deposited into the Illinois Thoroughbred Breeders Fund
23 from revenues generated by gaming pursuant to an organization
24 gaming license issued under the Illinois Gambling Act after
25 the effective date of this amendatory Act of the 101st General
26 Assembly shall be in addition to tax and fee amounts paid under

1 this Section for calendar year 2019 and thereafter.

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

6 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
7 shall consist of the Director of the Department of
8 Agriculture, who shall serve as Chairman; a member of the
9 Illinois Racing Board, designated by it; 2 representatives of
10 the organization licensees conducting thoroughbred racing
11 meetings, recommended by them; 2 representatives of the
12 Illinois Thoroughbred Breeders and Owners Foundation,
13 recommended by it; one representative of the Horsemen's
14 Benevolent Protective Association; and one representative from
15 the Illinois Thoroughbred Horsemen's Association. Advisory
16 Board members shall serve for 2 years commencing January 1 of
17 each odd numbered year. If representatives of the organization
18 licensees conducting thoroughbred racing meetings, the
19 Illinois Thoroughbred Breeders and Owners Foundation, the
20 Horsemen's Benevolent Protection Association, and the Illinois
21 Thoroughbred Horsemen's Association have not been recommended
22 by January 1, of each odd numbered year, the Director of the
23 Department of Agriculture shall make an appointment for the
24 organization failing to so recommend a member of the Advisory
25 Board. Advisory Board members shall receive no compensation
26 for their services as members but shall be reimbursed for all

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

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

8 (1) To provide purse supplements to owners of horses
9 participating in races limited to Illinois conceived and
10 foaled and Illinois foaled horses. Any such purse
11 supplements shall not be included in and shall be paid in
12 addition to any purses, stakes, or breeders' awards
13 offered by each organization licensee as determined by
14 agreement between such organization licensee and an
15 organization representing the horsemen. No monies from the
16 Illinois Thoroughbred Breeders Fund shall be used to
17 provide purse supplements for claiming races in which the
18 minimum claiming price is less than \$7,500.

19 (2) To provide stakes and awards to be paid to the
20 owners of the winning horses in certain races limited to
21 Illinois conceived and foaled and Illinois foaled horses
22 designated as stakes races.

23 (2.5) To provide an award to the owner or owners of an
24 Illinois conceived and foaled or Illinois foaled horse
25 that wins a maiden special weight, an allowance, overnight
26 handicap race, or claiming race with claiming price of

1 \$10,000 or more providing the race is not restricted to
2 Illinois conceived and foaled or Illinois foaled horses.
3 Awards shall also be provided to the owner or owners of
4 Illinois conceived and foaled and Illinois foaled horses
5 that place second or third in those races. To the extent
6 that additional moneys are required to pay the minimum
7 additional awards of 40% of the purse the horse earns for
8 placing first, second or third in those races for Illinois
9 foaled horses and of 60% of the purse the horse earns for
10 placing first, second or third in those races for Illinois
11 conceived and foaled horses, those moneys shall be
12 provided from the purse account at the track where earned.

13 (3) To provide stallion awards to the owner or owners
14 of any stallion that is duly registered with the Illinois
15 Thoroughbred Breeders Fund Program whose duly registered
16 Illinois conceived and foaled offspring wins a race
17 conducted at an Illinois thoroughbred racing meeting other
18 than a claiming race, provided that the stallion stood
19 service within Illinois at the time the offspring was
20 conceived and that the stallion did not stand for service
21 outside of Illinois at any time during the year in which
22 the offspring was conceived.

23 (4) To provide \$75,000 annually for purses to be
24 distributed to county fairs that provide for the running
25 of races during each county fair exclusively for the
26 thoroughbreds conceived and foaled in Illinois. The

1 conditions of the races shall be developed by the county
2 fair association and reviewed by the Department with the
3 advice and assistance of the Illinois Thoroughbred
4 Breeders Fund Advisory Board. There shall be no wagering
5 of any kind on the running of Illinois conceived and
6 foaled races at county fairs.

7 (4.1) To provide purse money for an Illinois stallion
8 stakes program.

9 (5) No less than 90% of all monies expended from the
10 Illinois Thoroughbred Breeders Fund shall be expended for
11 the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5)
12 as shown above.

13 (6) To provide for educational programs regarding the
14 thoroughbred breeding industry.

15 (7) To provide for research programs concerning the
16 health, development and care of the thoroughbred horse.

17 (8) To provide for a scholarship and training program
18 for students of equine veterinary medicine.

19 (9) To provide for dissemination of public information
20 designed to promote the breeding of thoroughbred horses in
21 Illinois.

22 (10) To provide for all expenses incurred in the
23 administration of the Illinois Thoroughbred Breeders Fund.

24 (h) The Illinois Thoroughbred Breeders Fund is not subject
25 to administrative charges or chargebacks, including, but not
26 limited to, those authorized under Section 8h of the State

1 Finance Act.

2 (i) A sum equal to 13% of the first prize money of every
3 purse won by an Illinois foaled or Illinois conceived and
4 foaled horse in races not limited to Illinois foaled horses or
5 Illinois conceived and foaled horses, or both, shall be paid
6 by the organization licensee conducting the horse race
7 meeting. Such sum shall be paid 50% from the organization
8 licensee's share of the money wagered and 50% from the purse
9 account as follows: 11 1/2% to the breeder of the winning horse
10 and 1 1/2% to the organization representing thoroughbred
11 breeders and owners who representative serves on the Illinois
12 Thoroughbred Breeders Fund Advisory Board for verifying the
13 amounts of breeders' awards earned, ensuring their
14 distribution in accordance with this Act, and servicing and
15 promoting the Illinois thoroughbred horse racing industry.
16 Beginning in the calendar year in which an organization
17 licensee that is eligible to receive payments under paragraph
18 (13) of subsection (g) of Section 26 of this Act begins to
19 receive funds from gaming pursuant to an organization gaming
20 license issued under the Illinois Gambling Act, a sum equal to
21 21 1/2% of the first prize money of every purse won by an
22 Illinois foaled or an Illinois conceived and foaled horse in
23 races not limited to an Illinois conceived and foaled horse,
24 or both, shall be paid 30% from the organization licensee's
25 account and 70% from the purse account as follows: 20% to the
26 breeder of the winning horse and 1 1/2% to the organization

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

1 of the end of each race meeting.

2 (j) A sum equal to 13% of the first prize money won in
3 every race limited to Illinois foaled horses or Illinois
4 conceived and foaled horses, or both, shall be paid in the
5 following manner by the organization licensee conducting the
6 horse race meeting, 50% from the organization licensee's share
7 of the money wagered and 50% from the purse account as follows:
8 11 1/2% to the breeders of the horses in each such race which
9 are the official first, second, third, and fourth finishers
10 and 1 1/2% to the organization representing thoroughbred
11 breeders and owners whose representatives serve on the
12 Illinois Thoroughbred Breeders Fund Advisory Board for
13 verifying the amounts of breeders' awards earned, ensuring
14 their proper distribution in accordance with this Act, and
15 servicing and promoting the Illinois horse racing industry.
16 Beginning in the calendar year in which an organization
17 licensee that is eligible to receive payments under paragraph
18 (13) of subsection (g) of Section 26 of this Act begins to
19 receive funds from gaming pursuant to an organization gaming
20 license issued under the Illinois Gambling Act, a sum of 21
21 1/2% of every purse in a race limited to Illinois foaled horses
22 or Illinois conceived and foaled horses, or both, shall be
23 paid by the organization licensee conducting the horse race
24 meeting. Such sum shall be paid 30% from the organization
25 licensee's account and 70% from the purse account as follows:
26 20% to the breeders of the horses in each such race who are

1 official first, second, third and fourth finishers and 1 1/2%
2 to the organization representing thoroughbred breeders and
3 owners whose representatives serve on the Illinois
4 Thoroughbred Breeders Fund Advisory Board for verifying the
5 amounts of breeders' awards earned, ensuring their proper
6 distribution in accordance with this Act, and servicing and
7 promoting the Illinois thoroughbred horse racing industry. The
8 organization representing thoroughbred breeders and owners
9 shall cause all expenditures of moneys received under this
10 subsection (j) to be audited at least annually by a registered
11 public accountant. The organization shall file copies of each
12 annual audit with the Racing Board, the Clerk of the House of
13 Representatives and the Secretary of the Senate, and shall
14 make copies of each annual audit available to the public upon
15 request and upon payment of the reasonable cost of
16 photocopying the requested number of copies. The copies of the
17 audit to the General Assembly shall be filed with the Clerk of
18 the House of Representatives and the Secretary of the Senate
19 in electronic form only, in the manner that the Clerk and the
20 Secretary shall direct.

21 The amounts paid to the breeders in accordance with this
22 subsection shall be distributed as follows:

23 (1) 60% of such sum shall be paid to the breeder of the
24 horse which finishes in the official first position;

25 (2) 20% of such sum shall be paid to the breeder of the
26 horse which finishes in the official second position;

1 (3) 15% of such sum shall be paid to the breeder of the
2 horse which finishes in the official third position; and

3 (4) 5% of such sum shall be paid to the breeder of the
4 horse which finishes in the official fourth position.

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

16 (k) The term "breeder", as used herein, means the owner of
17 the mare at the time the foal is dropped. An "Illinois foaled
18 horse" is a foal dropped by a mare which enters this State on
19 or before December 1, in the year in which the horse is bred,
20 provided the mare remains continuously in this State until its
21 foal is born. An "Illinois foaled horse" also means a foal born
22 of a mare in the same year as the mare enters this State on or
23 before March 1, and remains in this State at least 30 days
24 after foaling, is bred back during the season of the foaling to
25 an Illinois Registered Stallion (unless a veterinarian
26 certifies that the mare should not be bred for health

1 reasons), and is not bred to a stallion standing in any other
2 state during the season of foaling. An "Illinois foaled horse"
3 also means a foal born in Illinois of a mare purchased at
4 public auction subsequent to the mare entering this State on
5 or before March 1 of the foaling year providing the mare is
6 owned solely by one or more Illinois residents or an Illinois
7 entity that is entirely owned by one or more Illinois
8 residents.

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

12 (1) Qualify stallions for Illinois breeding; such
13 stallions to stand for service within the State of
14 Illinois at the time of a foal's conception. Such stallion
15 must not stand for service at any place outside the State
16 of Illinois during the calendar year in which the foal is
17 conceived. The Department of Agriculture may assess and
18 collect an application fee of up to \$500 for the
19 registration of Illinois-eligible stallions. All fees
20 collected are to be held in trust accounts for the
21 purposes set forth in this Act and in accordance with
22 Section 205-15 of the Department of Agriculture Law.

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

1 both unless registered with the Department of Agriculture.
2 The Department of Agriculture may prescribe such forms as
3 are necessary to determine the eligibility of such horses.
4 The Department of Agriculture may assess and collect
5 application fees for the registration of Illinois-eligible
6 foals. All fees collected are to be held in trust accounts
7 for the purposes set forth in this Act and in accordance
8 with Section 205-15 of the Department of Agriculture Law.
9 No person shall knowingly prepare or cause preparation of
10 an application for registration of such foals containing
11 false information.

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

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

1 wagering on such races, and the previous racing schedule.

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

15 (o) (Blank).

16 (Source: P.A. 101-31, eff. 6-28-19.)