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AN ACT in relation to horse racing.

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

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

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

7 Sec. 31. <u>Illinois Standardbred Breeders Fund.</u>

8 (a) The General Assembly declares that it is the 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 13 harness racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such 14 breeding and racing industries to the State of Illinois. 15 It 16 is the intent of the General Assembly to further this policy by the provisions of this Section of this Act. 17

(b) Each organization licensee conducting a harness 18 19 racing meeting pursuant to this Act shall provide for at 20 least two races each race program limited to Illinois conceived and foaled horses. A minimum of 6 races shall be 21 conducted each week limited to Illinois conceived and foaled 22 horses. No horses shall be permitted to start in such races 23 unless duly registered under the rules of the Department of 24 25 Agriculture.

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

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

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

9 (e) The Illinois Standardbred Breeders Fund shall be 10 administered by the Department of Agriculture with the 11 assistance and advice of the Advisory Board created in 12 subsection (f) of this Section.

The Illinois Standardbred Breeders Fund Advisory 13 (f) Board is hereby created. The Advisory Board shall consist of 14 15 the Director of the Department of Agriculture, who shall 16 serve as Chairman; the Superintendent of the Illinois State Fair; a member of the Illinois Racing Board, designated by 17 it; a representative of the Illinois Standardbred Owners and 18 Breeders Association, recommended by it; a representative of 19 the Illinois Association of Agricultural Fairs, recommended 20 21 by it, such representative to be from a fair at which 22 Illinois conceived and foaled racing is conducted; а 23 representative of the organization licensees conducting racing meetings, recommended 24 harness by them and a the Illinois 25 representative of Harness Horsemen's Association, recommended by it. Advisory Board members shall 26 serve for 2 years commencing January 1, of each odd numbered 27 year. If representatives of the Illinois Standardbred Owners 28 and Breeders Associations, the Illinois Association 29 of 30 Agricultural Fairs, the Illinois Harness Horsemen's Association, and the organization licensees conducting 31 32 harness racing meetings have not been recommended by January 1, of each odd numbered year, the Director of the Department 33 34 of Agriculture shall make an appointment for the organization

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1 failing to so recommend a member of the Advisory Board.
2 Advisory Board members shall receive no compensation for
3 their services as members but shall be reimbursed for all
4 actual and necessary expenses and disbursements incurred in
5 the execution of their official duties.

No monies shall be expended from the Illinois 6 (q) 7 Standardbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois 8 9 Standardbred Breeders Fund shall be expended by the Department of Agriculture, with the assistance and advice of 10 11 the Illinois Standardbred Breeders Fund Advisory Board for 12 the following purposes only:

To provide purses for races limited to Illinois
 conceived and foaled horses at the State Fair.

15 2. To provide purses for races limited to Illinois16 conceived and foaled horses at county fairs.

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

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

23 5. In the discretion of the Department of Agriculture to provide awards to harness breeders of 24 25 Illinois conceived and foaled horses which win races conducted by organization licensees conducting harness 26 racing meetings. A breeder is the owner of a mare at the 27 time of conception. No more than 10% of all monies 28 appropriated from the Illinois Standardbred Breeders Fund 29 30 shall be expended for such harness breeders awards. No more than 25% of the amount expended for harness breeders 31 awards shall be expended for expenses incurred in the 32 administration of such harness breeders awards. 33

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6. To pay for the improvement of racing facilities

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located at the State Fair and County fairs.

2 7. To pay the expenses incurred in the 3 administration of the Illinois Standardbred Breeders 4 Fund.

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8. To promote the sport of harness racing.

(h) Whenever the Governor finds that the amount in the 6 7 Illinois Standardbred Breeders Fund is more than the total of 8 the outstanding appropriations from such fund, the Governor 9 shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon 10 receipt of such notification, shall transfer such excess 11 amount from the Illinois Standardbred Breeders Fund to the 12 General Revenue Fund. 13

(i) A sum equal to 12 1/2% of the first prize money of 14 15 every purse won by an Illinois conceived and foaled horse 16 shall be paid by the organization licensee conducting the horse race meeting to the breeder of such winning horse from 17 the organization licensee's share of the money wagered. Such 18 19 payment shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Such payment 20 21 shall be delivered by the organization licensee at the end of 22 each race meeting.

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

1. Qualify stallions for Illinois Standardbred Breeders 26 Fund breeding; such stallion shall be owned by a resident of 27 the State of Illinois or by an Illinois corporation all of 28 whose shareholders, directors, officers and incorporators are 29 30 residents of the State of Illinois. Such stallion shall stand for service at and within the State of Illinois at the 31 32 time of a foal's conception, and such stallion must not stand for service at any place, nor may semen from such stallion be 33 34 transported, outside the State of Illinois during that 1 calendar year in which the foal is conceived and that the 2 owner of the stallion was for the 12 months prior, a resident of Illinois. The articles of agreement of any partnership, 3 4 joint venture, limited partnership, syndicate, association or 5 corporation and any bylaws and stock certificates must 6 contain a restriction that provides that the ownership or 7 transfer of interest by any one of the persons a party to the 8 agreement can only be made to a person who qualifies as an 9 Illinois resident.

2. Provide for the registration of Illinois conceived 10 11 and foaled horses and no such horse shall compete in the races limited to Illinois conceived and foaled horses unless 12 13 registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as may be 14 15 necessary to determine the eligibility of such horses. No 16 person shall knowingly prepare or cause preparation of an application for registration of such foals containing false 17 18 information. A mare (dam) must be in the state at least 30 19 days prior to foaling or remain in the State at least 30 days at the time of foaling. Beginning with the 1996 breeding 20 21 season and for foals of 1997 and thereafter, a foal conceived 22 by transported fresh semen may be eligible for Illinois 23 conceived and foaled registration provided all breeding and foaling requirements are met. The stallion must be qualified 24 25 for Illinois Standardbred Breeders Fund breeding at the time of conception and the mare must be inseminated within the 26 State of Illinois. The foal must be dropped in Illinois and 27 properly registered with the Department of Agriculture in 28 29 accordance with this Act.

30 3. Provide that at least a 5 day racing program shall be 31 conducted at the State Fair each year, which program shall 32 include at least the following races limited to Illinois 33 conceived and foaled horses: (a) a two year old Trot and 34 Pace, and Filly Division of each; (b) a three year old Trot and Pace, and Filly Division of each; (c) an aged Trot and
 Pace, and Mare Division of each.

4. Provide for the payment of nominating, sustaining and 3 4 starting fees for races promoting the sport of harness racing 5 and for the races to be conducted at the State Fair as 6 provided in subsection (j) 3 of this Section provided that 7 the nominating, sustaining and starting payment required from an entrant shall not exceed 2% of the purse of such race. 8 9 All nominating, sustaining and starting payments shall be held for the benefit of entrants and shall be paid out as 10 11 part of the respective purses for such races. Nominating, sustaining and starting fees shall be held in trust accounts 12 for the purposes as set forth in this Act and in accordance 13 with Section 205-15 of the Department of Agriculture Law 14 (20 ILCS 205/205-15). 15

16 5. Provide for the registration with the Department of 17 Agriculture of Colt Associations or county fairs desiring to 18 sponsor races at county fairs.

19 (k) The Department of Agriculture, with the advice and assistance of the Illinois Standardbred 20 Breeders Fund 21 Advisory Board, may allocate monies for purse supplements for 22 such races. In determining whether to allocate money and the 23 amount, the Department of Agriculture shall consider factors, limited to, the amount of money 24 including but not 25 appropriated for the Illinois Standardbred Breeders Fund the number of races that may occur, and an 26 program, organizational licensee's 27 purse structure. The organizational licensee shall notify the Department 28 of Agriculture of the conditions and minimum purses for races 29 limited to Illinois conceived and foaled horses to be 30 conducted by each organizational licensee conducting a 31 32 harness racing meeting for which purse supplements have been 33 negotiated.

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(l) All races held at county fairs and the State Fair

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which receive funds from the Illinois Standardbred Breeders
 Fund shall be conducted in accordance with the rules of the
 United States Trotting Association unless otherwise modified
 by the Department of Agriculture.

5 (m) At all standardbred race meetings held or conducted 6 under authority of a license granted by the Board, and at all 7 standardbred races held at county fairs which are approved by the Department of Agriculture or at the Illinois or DuQuoin 8 9 State Fairs, no one shall jog, train, warm up or drive a standardbred horse unless he or she is wearing a protective 10 11 safety helmet, with the chin strap fastened and in place, which meets the standards and requirements as set forth in 12 the 1984 Standard for Protective Headgear for Use in Harness 13 Racing and Other Equestrian Sports published by the Snell 14 Memorial Foundation, or any standards and requirements for 15 16 headgear the Illinois Racing Board may approve. Any other standards and requirements so approved by the Board shall 17 equal or exceed those published by the Snell Memorial 18 19 Foundation. Any equestrian helmet bearing the Snell label shall be deemed to have met those standards and requirements. 20 (Source: P.A. 91-239, eff. 1-1-00.) 21