

SB1797



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB1797

Introduced 2/20/2009, by Sen. John M. Sullivan

SYNOPSIS AS INTRODUCED:

230 ILCS 5/26

from Ch. 8, par. 37-26

Amends the Illinois Horse Racing Act of 1975. Deletes the provisions concerning the payment of certain moneys that would otherwise be payable to purse accounts to wagering facilities if the total Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in a calendar year is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994 (the recapture provisions). Effective immediately.

LRB096 03489 AMC 13513 b

FISCAL NOTE ACT
MAY APPLY

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 26 as follows:

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

7 Sec. 26. Wagering.

8 (a) Any licensee may conduct and supervise the pari-mutuel
9 system of wagering, as defined in Section 3.12 of this Act, on
10 horse races conducted by an Illinois organization licensee or
11 conducted at a racetrack located in another state or country
12 and televised in Illinois in accordance with subsection (g) of
13 Section 26 of this Act. Subject to the prior consent of the
14 Board, licensees may supplement any pari-mutuel pool in order
15 to guarantee a minimum distribution. Such pari-mutuel method of
16 wagering shall not, under any circumstances if conducted under
17 the provisions of this Act, be held or construed to be
18 unlawful, other statutes of this State to the contrary
19 notwithstanding. Subject to rules for advance wagering
20 promulgated by the Board, any licensee may accept wagers in
21 advance of the day of the race wagered upon occurs.

22 (b) No other method of betting, pool making, wagering or
23 gambling shall be used or permitted by the licensee. Each

1 licensee may retain, subject to the payment of all applicable
2 taxes and purses, an amount not to exceed 17% of all money
3 wagered under subsection (a) of this Section, except as may
4 otherwise be permitted under this Act.

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

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

22 (c-5) Beginning January 1, 2000, the sum held by any
23 licensee for payment of outstanding pari-mutuel tickets, if
24 unclaimed prior to December 31 of the next year, shall be
25 retained by the licensee for payment of such tickets until that
26 date. Within 10 days thereafter, the balance of such sum

1 remaining unclaimed, less any uncashed supplements contributed
2 by such licensee for the purpose of guaranteeing minimum
3 distributions of any pari-mutuel pool, shall be evenly
4 distributed to the purse account of the organization licensee
5 and the organization licensee.

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

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

20 (f) Notwithstanding the other provisions of this Act, an
21 organization licensee may contract with an entity in another
22 state or country to permit any legal wagering entity in another
23 state or country to accept wagers solely within such other
24 state or country on races conducted by the organization
25 licensee in this State. Beginning January 1, 2000, these wagers
26 shall not be subject to State taxation. Until January 1, 2000,

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

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

21 (g) A host track may accept interstate simulcast wagers on
22 horse races conducted in other states or countries and shall
23 control the number of signals and types of breeds of racing in
24 its simulcast program, subject to the disapproval of the Board.
25 The Board may prohibit a simulcast program only if it finds
26 that the simulcast program is clearly adverse to the integrity

1 of racing. The host track simulcast program shall include the
2 signal of live racing of all organization licensees. All
3 non-host licensees shall carry the host track simulcast program
4 and accept wagers on all races included as part of the
5 simulcast program upon which wagering is permitted. The costs
6 and expenses of the host track and non-host licensees
7 associated with interstate simulcast wagering, other than the
8 interstate commission fee, shall be borne by the host track and
9 all non-host licensees incurring these costs. The interstate
10 commission fee shall not exceed 5% of Illinois handle on the
11 interstate simulcast race or races without prior approval of
12 the Board. The Board shall promulgate rules under which it may
13 permit interstate commission fees in excess of 5%. The
14 interstate commission fee and other fees charged by the sending
15 racetrack, including, but not limited to, satellite decoder
16 fees, shall be uniformly applied to the host track and all
17 non-host licensees.

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

1 supplemental interstate simulcast only if it finds that the
2 simulcast is clearly adverse to the integrity of racing. A
3 supplemental interstate simulcast may be transmitted from
4 an intertrack wagering licensee to its affiliated non-host
5 licensees. The interstate commission fee for a
6 supplemental interstate simulcast shall be paid by the
7 non-host licensee and its affiliated non-host licensees
8 receiving the simulcast.

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

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

1 the privilege tax of that daily handle as provided in
2 subsection (a) of Section 27. Until January 1, 2000, from
3 the sums permitted to be retained pursuant to this
4 subsection, each intertrack wagering location licensee
5 shall pay 1% of the pari-mutuel handle wagered on simulcast
6 wagering to the Horse Racing Tax Allocation Fund, subject
7 to the provisions of subparagraph (B) of paragraph (11) of
8 subsection (h) of Section 26 of this Act.

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

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

1 interstate simulcast wagers and shall pay 50% to purses at
2 the track from which the non-host licensee derives its
3 license as follows:

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

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

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

24 (D) Between the third Saturday in February and
25 December 31, when the interstate simulcast occurs
26 between the hours of 6:30 a.m. and 6:30 p.m., the purse

1 share to its thoroughbred purse account;

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

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

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

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

1 paid to standardbred purses under this Act, and shall
2 not be commingled with other moneys paid into that
3 Fund. The moneys deposited pursuant to this
4 subparagraph (B) shall be allocated as provided by the
5 Department of Agriculture, with the advice and
6 assistance of the Illinois Standardbred Breeders Fund
7 Advisory Board.

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

17 (A) If the licensee that conducts horse racing at
18 that racetrack requests from the Board at least as many
19 racing dates as were conducted in calendar year 2000,
20 80% shall be deposited into its standardbred purse
21 account; and

22 (B) Twenty percent shall be deposited into the
23 Illinois Colt Stakes Purse Distribution Fund. Moneys
24 deposited into the Illinois Colt Stakes Purse
25 Distribution Fund pursuant to this subparagraph (B)
26 shall be paid to Illinois conceived and foaled

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

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

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

24 (B) Twenty percent to the Illinois Colt Stakes
25 Purse Distribution Fund.

26 Failure to make the payment to the Illinois Colt Stakes

1 Purse Distribution Fund before January 1, 2002 shall result
2 in the immediate revocation of the licensee's organization
3 license, inter-track wagering license, and inter-track
4 wagering location license.

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

17 (7.4) If live standardbred racing is conducted at a
18 racetrack located in Madison County at any time in calendar
19 year 2001 before the payment required under paragraph (7.3)
20 has been made, the organization licensee who is licensed to
21 conduct racing at that racetrack shall pay all moneys
22 derived by that racetrack from simulcast wagering and
23 inter-track wagering during calendar years 2000 and 2001
24 that (1) are to be used for purses and (2) are generated
25 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
26 2001 to the standardbred purse account at that racetrack to

1 be used for standardbred purses.

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

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

24 (9) (Blank).

25 (10) (Blank).

26 (11) (Blank).

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

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

~~wagering facility, based on: (i) the racing dates awarded to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari-mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance with the provisions of this Section.~~

(h) The Board may approve and license the conduct of

1 inter-track wagering and simulcast wagering by inter-track
2 wagering licensees and inter-track wagering location licensees
3 subject to the following terms and conditions:

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

1 100 days of live racing. Any such person having operating
2 control of the racing facility may also receive up to 6
3 inter-track wagering location licenses. In no event shall
4 more than 6 inter-track wagering locations be established
5 for each eligible race track, except that an eligible race
6 track located in a county that has a population of more
7 than 230,000 and that is bounded by the Mississippi River
8 may establish up to 7 inter-track wagering locations. An
9 application for said license shall be filed with the Board
10 prior to such dates as may be fixed by the Board. With an
11 application for an inter-track wagering location license
12 there shall be delivered to the Board a certified check or
13 bank draft payable to the order of the Board for an amount
14 equal to \$500. The application shall be on forms prescribed
15 and furnished by the Board. The application shall comply
16 with all other rules, regulations and conditions imposed by
17 the Board in connection therewith.

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

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

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

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

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

25 (7) An inter-track wagering licensee or inter-track
26 wagering location licensee may accept wagers at the track

1 or location where it is licensed, or as otherwise provided
2 under this Act.

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

6 (8.1) Inter-track wagering location licensees who
7 derive their licenses from a particular organization
8 licensee shall conduct inter-track wagering and simulcast
9 wagering only at locations which are either within 90 miles
10 of that race track where the particular organization
11 licensee is licensed to conduct racing, or within 135 miles
12 of that race track where the particular organization
13 licensee is licensed to conduct racing in the case of race
14 tracks in counties of less than 400,000 that were operating
15 on or before June 1, 1986. However, inter-track wagering
16 and simulcast wagering shall not be conducted by those
17 licensees at any location within 5 miles of any race track
18 at which a horse race meeting has been licensed in the
19 current year, unless the person having operating control of
20 such race track has given its written consent to such
21 inter-track wagering location licensees, which consent
22 must be filed with the Board at or prior to the time
23 application is made.

24 (8.2) Inter-track wagering or simulcast wagering shall
25 not be conducted by an inter-track wagering location
26 licensee at any location within 500 feet of an existing

1 church or existing school, nor within 500 feet of the
2 residences of more than 50 registered voters without
3 receiving written permission from a majority of the
4 registered voters at such residences. Such written
5 permission statements shall be filed with the Board. The
6 distance of 500 feet shall be measured to the nearest part
7 of any building used for worship services, education
8 programs, residential purposes, or conducting inter-track
9 wagering by an inter-track wagering location licensee, and
10 not to property boundaries. However, inter-track wagering
11 or simulcast wagering may be conducted at a site within 500
12 feet of a church, school or residences of 50 or more
13 registered voters if such church, school or residences have
14 been erected or established, or such voters have been
15 registered, after the Board issues the original
16 inter-track wagering location license at the site in
17 question. Inter-track wagering location licensees may
18 conduct inter-track wagering and simulcast wagering only
19 in areas that are zoned for commercial or manufacturing
20 purposes or in areas for which a special use has been
21 approved by the local zoning authority. However, no license
22 to conduct inter-track wagering and simulcast wagering
23 shall be granted by the Board with respect to any
24 inter-track wagering location within the jurisdiction of
25 any local zoning authority which has, by ordinance or by
26 resolution, prohibited the establishment of an inter-track

1 wagering location within its jurisdiction. However,
2 inter-track wagering and simulcast wagering may be
3 conducted at a site if such ordinance or resolution is
4 enacted after the Board licenses the original inter-track
5 wagering location licensee for the site in question.

6 (9) (Blank).

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

17 (10.1) Except as provided in subsection (g) of Section
18 27 of this Act, inter-track wagering location licensees
19 shall pay 1% of the pari-mutuel handle at each location to
20 the municipality in which such location is situated and 1%
21 of the pari-mutuel handle at each location to the county in
22 which such location is situated. In the event that an
23 inter-track wagering location licensee is situated in an
24 unincorporated area of a county, such licensee shall pay 2%
25 of the pari-mutuel handle from such location to such
26 county.

1 (10.2) Notwithstanding any other provision of this
2 Act, with respect to intertrack wagering at a race track
3 located in a county that has a population of more than
4 230,000 and that is bounded by the Mississippi River ("the
5 first race track"), or at a facility operated by an
6 inter-track wagering licensee or inter-track wagering
7 location licensee that derives its license from the
8 organization licensee that operates the first race track,
9 on races conducted at the first race track or on races
10 conducted at another Illinois race track and
11 simultaneously televised to the first race track or to a
12 facility operated by an inter-track wagering licensee or
13 inter-track wagering location licensee that derives its
14 license from the organization licensee that operates the
15 first race track, those moneys shall be allocated as
16 follows:

17 (A) That portion of all moneys wagered on
18 standardbred racing that is required under this Act to
19 be paid to purses shall be paid to purses for
20 standardbred races.

21 (B) That portion of all moneys wagered on
22 thoroughbred racing that is required under this Act to
23 be paid to purses shall be paid to purses for
24 thoroughbred races.

25 (11) (A) After payment of the privilege or pari-mutuel
26 tax, any other applicable taxes, and the costs and expenses

1 in connection with the gathering, transmission, and
2 dissemination of all data necessary to the conduct of
3 inter-track wagering, the remainder of the monies retained
4 under either Section 26 or Section 26.2 of this Act by the
5 inter-track wagering licensee on inter-track wagering
6 shall be allocated with 50% to be split between the 2
7 participating licensees and 50% to purses, except that an
8 intertrack wagering licensee that derives its license from
9 a track located in a county with a population in excess of
10 230,000 and that borders the Mississippi River shall not
11 divide any remaining retention with the Illinois
12 organization licensee that provides the race or races, and
13 an intertrack wagering licensee that accepts wagers on
14 races conducted by an organization licensee that conducts a
15 race meet in a county with a population in excess of
16 230,000 and that borders the Mississippi River shall not
17 divide any remaining retention with that organization
18 licensee.

19 (B) From the sums permitted to be retained pursuant to
20 this Act each inter-track wagering location licensee shall
21 pay (i) the privilege or pari-mutuel tax to the State; (ii)
22 4.75% of the pari-mutuel handle on intertrack wagering at
23 such location on races as purses, except that an intertrack
24 wagering location licensee that derives its license from a
25 track located in a county with a population in excess of
26 230,000 and that borders the Mississippi River shall retain

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

1 Section 26 provided first, that the shares of those
2 amounts, which are to be redistributed to the host track or
3 to purses at the host track under subparagraph (B) of
4 paragraph (5) of subsection (g) of this Section 26 shall be
5 redistributed based on each host track's pro rata share of
6 the total inter-track wagering and simulcast wagering
7 handle at all host tracks during the calendar year in
8 question, and second, that any amounts redistributed as
9 described in part (I) to an inter-track wagering location
10 licensee that accepts wagers on races conducted by an
11 organization licensee that conducts a race meet in a county
12 with a population in excess of 230,000 and that borders the
13 Mississippi River shall be further redistributed as
14 provided in subparagraphs (D) and (E) of paragraph (7) of
15 subsection (g) of this Section 26, with the portion of that
16 further redistribution allocated to purses at that
17 organization licensee to be divided between standardbred
18 purses and thoroughbred purses based on the amounts
19 otherwise allocated to purses at that organization
20 licensee during the calendar year in question; and (iv) 8%
21 of the pari-mutuel handle on inter-track wagering wagered
22 at such location to satisfy all costs and expenses of
23 conducting its wagering. The remainder of the monies
24 retained by the inter-track wagering location licensee
25 shall be allocated 40% to the location licensee and 60% to
26 the organization licensee which provides the Illinois

1 races to the location, except that an intertrack wagering
2 location licensee that derives its license from a track
3 located in a county with a population in excess of 230,000
4 and that borders the Mississippi River shall not divide any
5 remaining retention with the organization licensee that
6 provides the race or races and an intertrack wagering
7 location licensee that accepts wagers on races conducted by
8 an organization licensee that conducts a race meet in a
9 county with a population in excess of 230,000 and that
10 borders the Mississippi River shall not divide any
11 remaining retention with the organization licensee.
12 Notwithstanding the provisions of clauses (ii) and (iv) of
13 this paragraph, in the case of the additional inter-track
14 wagering location licenses authorized under paragraph (1)
15 of this subsection (h) by this amendatory Act of 1991,
16 those licensees shall pay the following amounts as purses:
17 during the first 12 months the licensee is in operation,
18 5.25% of the pari-mutuel handle wagered at the location on
19 races; during the second 12 months, 5.25%; during the third
20 12 months, 5.75%; during the fourth 12 months, 6.25%; and
21 during the fifth 12 months and thereafter, 6.75%. The
22 following amounts shall be retained by the licensee to
23 satisfy all costs and expenses of conducting its wagering:
24 during the first 12 months the licensee is in operation,
25 8.25% of the pari-mutuel handle wagered at the location;
26 during the second 12 months, 8.25%; during the third 12

1 months, 7.75%; during the fourth 12 months, 7.25%; and
2 during the fifth 12 months and thereafter, 6.75%. For
3 additional intertrack wagering location licensees
4 authorized under this amendatory Act of 1995, purses for
5 the first 12 months the licensee is in operation shall be
6 5.75% of the pari-mutuel wagered at the location, purses
7 for the second 12 months the licensee is in operation shall
8 be 6.25%, and purses thereafter shall be 6.75%. For
9 additional intertrack location licensees authorized under
10 this amendatory Act of 1995, the licensee shall be allowed
11 to retain to satisfy all costs and expenses: 7.75% of the
12 pari-mutuel handle wagered at the location during its first
13 12 months of operation, 7.25% during its second 12 months
14 of operation, and 6.75% thereafter.

15 (C) There is hereby created the Horse Racing Tax
16 Allocation Fund which shall remain in existence until
17 December 31, 1999. Moneys remaining in the Fund after
18 December 31, 1999 shall be paid into the General Revenue
19 Fund. Until January 1, 2000, all monies paid into the Horse
20 Racing Tax Allocation Fund pursuant to this paragraph (11)
21 by inter-track wagering location licensees located in park
22 districts of 500,000 population or less, or in a
23 municipality that is not included within any park district
24 but is included within a conservation district and is the
25 county seat of a county that (i) is contiguous to the state
26 of Indiana and (ii) has a 1990 population of 88,257

1 according to the United States Bureau of the Census, and
2 operating on May 1, 1994 shall be allocated by
3 appropriation as follows:

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

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

15 Four-sevenths to park districts or municipalities
16 that do not have a park district of 500,000 population
17 or less for museum purposes (if an inter-track wagering
18 location licensee is located in such a park district)
19 or to conservation districts for museum purposes (if an
20 inter-track wagering location licensee is located in a
21 municipality that is not included within any park
22 district but is included within a conservation
23 district and is the county seat of a county that (i) is
24 contiguous to the state of Indiana and (ii) has a 1990
25 population of 88,257 according to the United States
26 Bureau of the Census, except that if the conservation

1 district does not maintain a museum, the monies shall
2 be allocated equally between the county and the
3 municipality in which the inter-track wagering
4 location licensee is located for general purposes) or
5 to a municipal recreation board for park purposes (if
6 an inter-track wagering location licensee is located
7 in a municipality that is not included within any park
8 district and park maintenance is the function of the
9 municipal recreation board and the municipality has a
10 1990 population of 9,302 according to the United States
11 Bureau of the Census); provided that the monies are
12 distributed to each park district or conservation
13 district or municipality that does not have a park
14 district in an amount equal to four-sevenths of the
15 amount collected by each inter-track wagering location
16 licensee within the park district or conservation
17 district or municipality for the Fund. Monies that were
18 paid into the Horse Racing Tax Allocation Fund before
19 the effective date of this amendatory Act of 1991 by an
20 inter-track wagering location licensee located in a
21 municipality that is not included within any park
22 district but is included within a conservation
23 district as provided in this paragraph shall, as soon
24 as practicable after the effective date of this
25 amendatory Act of 1991, be allocated and paid to that
26 conservation district as provided in this paragraph.

1 Any park district or municipality not maintaining a
2 museum may deposit the monies in the corporate fund of
3 the park district or municipality where the
4 inter-track wagering location is located, to be used
5 for general purposes; and

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

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

16 Two-sevenths to the Department of Agriculture.
17 Fifty percent of this two-sevenths shall be used to
18 promote the Illinois horse racing and breeding
19 industry, and shall be distributed by the Department of
20 Agriculture upon the advice of a 9-member committee
21 appointed by the Governor consisting of the following
22 members: the Director of Agriculture, who shall serve
23 as chairman; 2 representatives of organization
24 licensees conducting thoroughbred race meetings in
25 this State, recommended by those licensees; 2
26 representatives of organization licensees conducting

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

1 Four-sevenths to museums and aquariums located in
2 park districts of over 500,000 population; provided
3 that the monies are distributed in accordance with the
4 previous year's distribution of the maintenance tax
5 for such museums and aquariums as provided in Section 2
6 of the Park District Aquarium and Museum Act; and

7 One-seventh to the Agricultural Premium Fund to be
8 used for distribution to agricultural home economics
9 extension councils in accordance with "An Act in
10 relation to additional support and finances for the
11 Agricultural and Home Economic Extension Councils in
12 the several counties of this State and making an
13 appropriation therefor", approved July 24, 1967. This
14 subparagraph (C) shall be inoperative and of no force
15 and effect on and after January 1, 2000.

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

20 (i) If the inter-track wagering licensee,
21 except an intertrack wagering licensee that
22 derives its license from an organization licensee
23 located in a county with a population in excess of
24 230,000 and bounded by the Mississippi River, is
25 not conducting its own race meeting during the same
26 dates, then the entire purse allocation shall be to

1 purses at the track where the races wagered on are
2 being conducted.

3 (ii) If the inter-track wagering licensee,
4 except an intertrack wagering licensee that
5 derives its license from an organization licensee
6 located in a county with a population in excess of
7 230,000 and bounded by the Mississippi River, is
8 also conducting its own race meeting during the
9 same dates, then the purse allocation shall be as
10 follows: 50% to purses at the track where the races
11 wagered on are being conducted; 50% to purses at
12 the track where the inter-track wagering licensee
13 is accepting such wagers.

14 (iii) If the inter-track wagering is being
15 conducted by an inter-track wagering location
16 licensee, except an intertrack wagering location
17 licensee that derives its license from an
18 organization licensee located in a county with a
19 population in excess of 230,000 and bounded by the
20 Mississippi River, the entire purse allocation for
21 Illinois races shall be to purses at the track
22 where the race meeting being wagered on is being
23 held.

24 (12) The Board shall have all powers necessary and
25 proper to fully supervise and control the conduct of
26 inter-track wagering and simulcast wagering by inter-track

1 wagering licensees and inter-track wagering location
2 licensees, including, but not limited to the following:

3 (A) The Board is vested with power to promulgate
4 reasonable rules and regulations for the purpose of
5 administering the conduct of this wagering and to
6 prescribe reasonable rules, regulations and conditions
7 under which such wagering shall be held and conducted.
8 Such rules and regulations are to provide for the
9 prevention of practices detrimental to the public
10 interest and for the best interests of said wagering
11 and to impose penalties for violations thereof.

12 (B) The Board, and any person or persons to whom it
13 delegates this power, is vested with the power to enter
14 the facilities of any licensee to determine whether
15 there has been compliance with the provisions of this
16 Act and the rules and regulations relating to the
17 conduct of such wagering.

18 (C) The Board, and any person or persons to whom it
19 delegates this power, may eject or exclude from any
20 licensee's facilities, any person whose conduct or
21 reputation is such that his presence on such premises
22 may, in the opinion of the Board, call into the
23 question the honesty and integrity of, or interfere
24 with the orderly conduct of such wagering; provided,
25 however, that no person shall be excluded or ejected
26 from such premises solely on the grounds of race,

1 color, creed, national origin, ancestry, or sex.

2 (D) (Blank).

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

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

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

24 (13) The Department of Agriculture may enter into
25 agreements with licensees authorizing such licensees to
26 conduct inter-track wagering on races to be held at the

1 licensed race meetings conducted by the Department of
2 Agriculture. Such agreement shall specify the races of the
3 Department of Agriculture's licensed race meeting upon
4 which the licensees will conduct wagering. In the event
5 that a licensee conducts inter-track pari-mutuel wagering
6 on races from the Illinois State Fair or DuQuoin State Fair
7 which are in addition to the licensee's previously approved
8 racing program, those races shall be considered a separate
9 racing day for the purpose of determining the daily handle
10 and computing the privilege or pari-mutuel tax on that
11 daily handle as provided in Sections 27 and 27.1. Such
12 agreements shall be approved by the Board before such
13 wagering may be conducted. In determining whether to grant
14 approval, the Board shall give due consideration to the
15 best interests of the public and of horse racing. The
16 provisions of paragraphs (1), (8), (8.1), and (8.2) of
17 subsection (h) of this Section which are not specified in
18 this paragraph (13) shall not apply to licensed race
19 meetings conducted by the Department of Agriculture at the
20 Illinois State Fair in Sangamon County or the DuQuoin State
21 Fair in Perry County, or to any wagering conducted on those
22 race meetings.

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

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

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.