

# HB5903



## 98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5903

by Rep. Dennis M. Reboletti

### SYNOPSIS AS INTRODUCED:

230 ILCS 5/30

from Ch. 8, par. 37-30

Amends the Illinois Horse Racing Act of 1975. Deletes a provision that establishes and prescribes the duties of the Thoroughbred Breeder's Program Task Force.

LRB098 17275 ZMM 52369 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 30 as follows:

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

7 Sec. 30. (a) The General Assembly declares that it is the  
8 policy of this State to encourage the breeding of thoroughbred  
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 thoroughbred horses to participate in  
12 thoroughbred racing meetings in this State, and to establish  
13 and 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 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 foaled  
22 or Illinois foaled horses or both. No horses shall be permitted  
23 to start in such races unless duly registered under the rules

1 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 substitute  
8 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 Except as provided in subsection (g) of Section 27 of this  
13 Act, 8.5% of all the monies received by the State as privilege  
14 taxes on Thoroughbred racing meetings shall be paid into the  
15 Illinois Thoroughbred Breeders Fund.

16 (e) The Illinois Thoroughbred Breeders Fund shall be  
17 administered by the Department of Agriculture with the advice  
18 and assistance of the Advisory Board created in subsection (f)  
19 of this Section.

20 (f) The Illinois Thoroughbred Breeders Fund Advisory Board  
21 shall consist of the Director of the Department of Agriculture,  
22 who shall serve as Chairman; a member of the Illinois Racing  
23 Board, designated by it; 2 representatives of the organization  
24 licensees conducting thoroughbred racing meetings, recommended  
25 by them; 2 representatives of the Illinois Thoroughbred  
26 Breeders and Owners Foundation, recommended by it; and 2

1 representatives of the Horsemen's Benevolent Protective  
2 Association or any successor organization established in  
3 Illinois comprised of the largest number of owners and  
4 trainers, recommended by it, with one representative of the  
5 Horsemen's Benevolent and Protective Association to come from  
6 its Illinois Division, and one from its Chicago Division.  
7 Advisory Board members shall serve for 2 years commencing  
8 January 1 of each odd numbered year. If representatives of the  
9 organization licensees conducting thoroughbred racing  
10 meetings, the Illinois Thoroughbred Breeders and Owners  
11 Foundation, and the Horsemen's Benevolent Protection  
12 Association have not been recommended by January 1, of each odd  
13 numbered year, the Director of the Department of Agriculture  
14 shall make an appointment for the organization failing to so  
15 recommend a member of the Advisory Board. Advisory Board  
16 members shall receive no compensation for their services as  
17 members but shall be reimbursed for all actual and necessary  
18 expenses and disbursements incurred in the execution of their  
19 official duties.

20 (g) No monies shall be expended from the Illinois  
21 Thoroughbred Breeders Fund except as appropriated by the  
22 General Assembly. Monies appropriated from the Illinois  
23 Thoroughbred Breeders Fund shall be expended by the Department  
24 of Agriculture, with the advice and assistance of the Illinois  
25 Thoroughbred Breeders Fund Advisory Board, for the following  
26 purposes only:

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

12           (2) To provide stakes and awards to be paid to the  
13 owners of the winning horses in certain races limited to  
14 Illinois conceived and foaled and Illinois foaled horses  
15 designated as stakes races.

16           (2.5) To provide an award to the owner or owners of an  
17 Illinois conceived and foaled or Illinois foaled horse that  
18 wins a maiden special weight, an allowance, overnight  
19 handicap race, or claiming race with claiming price of  
20 \$10,000 or more providing the race is not restricted to  
21 Illinois conceived and foaled or Illinois foaled horses.  
22 Awards shall also be provided to the owner or owners of  
23 Illinois conceived and foaled and Illinois foaled horses  
24 that place second or third in those races. To the extent  
25 that additional moneys are required to pay the minimum  
26 additional awards of 40% of the purse the horse earns for

1 placing first, second or third in those races for Illinois  
2 foaled horses and of 60% of the purse the horse earns for  
3 placing first, second or third in those races for Illinois  
4 conceived and foaled horses, those moneys shall be provided  
5 from the purse account at the track where earned.

6 (3) To provide stallion awards to the owner or owners  
7 of any stallion that is duly registered with the Illinois  
8 Thoroughbred Breeders Fund Program prior to the effective  
9 date of this amendatory Act of 1995 whose duly registered  
10 Illinois conceived and foaled offspring wins a race  
11 conducted at an Illinois thoroughbred racing meeting other  
12 than a claiming race. Such award shall not be paid to the  
13 owner or owners of an Illinois stallion that served outside  
14 this State at any time during the calendar year in which  
15 such race was conducted.

16 (4) To provide \$75,000 annually for purses to be  
17 distributed to county fairs that provide for the running of  
18 races during each county fair exclusively for the  
19 thoroughbreds conceived and foaled in Illinois. The  
20 conditions of the races shall be developed by the county  
21 fair association and reviewed by the Department with the  
22 advice and assistance of the Illinois Thoroughbred  
23 Breeders Fund Advisory Board. There shall be no wagering of  
24 any kind on the running of Illinois conceived and foaled  
25 races at county fairs.

26 (4.1) To provide purse money for an Illinois stallion

1 stakes program.

2 (5) No less than 80% of all monies appropriated from  
3 the Illinois Thoroughbred Breeders Fund shall be expended  
4 for the purposes in (1), (2), (2.5), (3), (4), (4.1), and  
5 (5) as shown above.

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

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

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

12 (9) To provide for dissemination of public information  
13 designed to promote the breeding of thoroughbred horses in  
14 Illinois.

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

17 (h) Whenever the Governor finds that the amount in the  
18 Illinois Thoroughbred Breeders Fund is more than the total of  
19 the outstanding appropriations from such fund, the Governor  
20 shall notify the State Comptroller and the State Treasurer of  
21 such fact. The Comptroller and the State Treasurer, upon  
22 receipt of such notification, shall transfer such excess amount  
23 from the Illinois Thoroughbred Breeders Fund to the General  
24 Revenue Fund.

25 (i) A sum equal to 12 1/2% of the first prize money of  
26 every purse won by an Illinois foaled or an Illinois conceived

1 and foaled horse in races not limited to Illinois foaled horses  
2 or Illinois conceived and foaled horses, or both, shall be paid  
3 by the organization licensee conducting the horse race meeting.  
4 Such sum shall be paid from the organization licensee's share  
5 of the money wagered as follows: 11 1/2% to the breeder of the  
6 winning horse and 1% to the organization representing  
7 thoroughbred breeders and owners whose representative serves  
8 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
9 verifying the amounts of breeders' awards earned, assuring  
10 their distribution in accordance with this Act, and servicing  
11 and promoting the Illinois thoroughbred horse racing industry.  
12 The organization representing thoroughbred breeders and owners  
13 shall cause all expenditures of monies received under this  
14 subsection (i) to be audited at least annually by a registered  
15 public accountant. The organization shall file copies of each  
16 annual audit with the Racing Board, the Clerk of the House of  
17 Representatives and the Secretary of the Senate, and shall make  
18 copies of each annual audit available to the public upon  
19 request and upon payment of the reasonable cost of photocopying  
20 the requested number of copies. Such payments shall not reduce  
21 any award to the owner of the horse or reduce the taxes payable  
22 under this Act. Upon completion of its racing meet, each  
23 organization licensee shall deliver to the organization  
24 representing thoroughbred breeders and owners whose  
25 representative serves on the Illinois Thoroughbred Breeders  
26 Fund Advisory Board a listing of all the Illinois foaled and



1 the Illinois conceived and foaled horses which won breeders'  
2 awards and the amount of such breeders' awards under this  
3 subsection to verify accuracy of payments and assure proper  
4 distribution of breeders' awards in accordance with the  
5 provisions of this Act. Such payments shall be delivered by the  
6 organization licensee within 30 days of the end of each race  
7 meeting.

8 (j) A sum equal to 12 1/2% of the first prize money won in  
9 each race limited to Illinois foaled horses or Illinois  
10 conceived and foaled horses, or both, shall be paid in the  
11 following manner by the organization licensee conducting the  
12 horse race meeting, from the organization licensee's share of  
13 the money wagered: 11 1/2% to the breeders of the horses in  
14 each such race which are the official first, second, third and  
15 fourth finishers and 1% to the organization representing  
16 thoroughbred breeders and owners whose representative serves  
17 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
18 verifying the amounts of breeders' awards earned, assuring  
19 their proper distribution in accordance with this Act, and  
20 servicing and promoting the Illinois thoroughbred horse racing  
21 industry. The organization representing thoroughbred breeders  
22 and owners shall cause all expenditures of monies received  
23 under this subsection (j) to be audited at least annually by a  
24 registered public accountant. The organization shall file  
25 copies of each annual audit with the Racing Board, the Clerk of  
26 the House of Representatives and the Secretary of the Senate,

1 and shall make copies of each annual audit available to the  
2 public upon request and upon payment of the reasonable cost of  
3 photocopying the requested number of copies.

4 The 11 1/2% paid to the breeders in accordance with this  
5 subsection shall be distributed as follows:

6 (1) 60% of such sum shall be paid to the breeder of the  
7 horse which finishes in the official first position;

8 (2) 20% of such sum shall be paid to the breeder of the  
9 horse which finishes in the official second position;

10 (3) 15% of such sum shall be paid to the breeder of the  
11 horse which finishes in the official third position; and

12 (4) 5% of such sum shall be paid to the breeder of the  
13 horse which finishes in the official fourth position.

14 Such payments shall not reduce any award to the owners of a  
15 horse or reduce the taxes payable under this Act. Upon  
16 completion of its racing meet, each organization licensee shall  
17 deliver to the organization representing thoroughbred breeders  
18 and owners whose representative serves on the Illinois  
19 Thoroughbred Breeders Fund Advisory Board a listing of all the  
20 Illinois foaled and the Illinois conceived and foaled horses  
21 which won breeders' awards and the amount of such breeders'  
22 awards in accordance with the provisions of this Act. Such  
23 payments shall be delivered by the organization licensee within  
24 30 days of the end of each race meeting.

25 (k) The term "breeder", as used herein, means the owner of  
26 the mare at the time the foal is dropped. An "Illinois foaled

1 horse" is a foal dropped by a mare which enters this State on  
2 or before December 1, in the year in which the horse is bred,  
3 provided the mare remains continuously in this State until its  
4 foal is born. An "Illinois foaled horse" also means a foal born  
5 of a mare in the same year as the mare enters this State on or  
6 before March 1, and remains in this State at least 30 days  
7 after foaling, is bred back during the season of the foaling to  
8 an Illinois Registered Stallion (unless a veterinarian  
9 certifies that the mare should not be bred for health reasons),  
10 and is not bred to a stallion standing in any other state  
11 during the season of foaling. An "Illinois foaled horse" also  
12 means a foal born in Illinois of a mare purchased at public  
13 auction subsequent to the mare entering this State prior to  
14 February 1 of the foaling year providing the mare is owned  
15 solely by one or more Illinois residents or an Illinois entity  
16 that is entirely owned by one or more Illinois residents.

17 (1) The Department of Agriculture shall, by rule, with the  
18 advice and assistance of the Illinois Thoroughbred Breeders  
19 Fund Advisory Board:

20 (1) Qualify stallions for Illinois breeding; such  
21 stallions to stand for service within the State of Illinois  
22 at the time of a foal's conception. Such stallion must not  
23 stand for service at any place outside the State of  
24 Illinois during the calendar year in which the foal is  
25 conceived. The Department of Agriculture may assess and  
26 collect application fees for the registration of

1 Illinois-eligible stallions. All fees collected are to be  
2 paid into the Illinois Thoroughbred Breeders Fund.

3 (2) Provide for the registration of Illinois conceived  
4 and foaled horses and Illinois foaled horses. No such horse  
5 shall compete in the races limited to Illinois conceived  
6 and foaled horses or Illinois foaled horses or both unless  
7 registered with the Department of Agriculture. The  
8 Department of Agriculture may prescribe such forms as are  
9 necessary to determine the eligibility of such horses. The  
10 Department of Agriculture may assess and collect  
11 application fees for the registration of Illinois-eligible  
12 foals. All fees collected are to be paid into the Illinois  
13 Thoroughbred Breeders Fund. No person shall knowingly  
14 prepare or cause preparation of an application for  
15 registration of such foals containing false information.

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

22 In determining the stakes races and the amount of awards  
23 for such races, the Department of Agriculture shall consider  
24 factors, including but not limited to, the amount of money  
25 appropriated for the Illinois Thoroughbred Breeders Fund  
26 program, organization licensees' contributions, availability

1 of stakes caliber horses as demonstrated by past performances,  
2 whether the race can be coordinated into the proposed racing  
3 dates within organization licensees' racing dates, opportunity  
4 for colts and fillies and various age groups to race, public  
5 wagering on such races, and the previous racing schedule.

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

19 ~~(o) In order to improve the breeding quality of~~  
20 ~~thoroughbred horses in the State, the General Assembly~~  
21 ~~recognizes that existing provisions of this Section to~~  
22 ~~encourage such quality breeding need to be revised and~~  
23 ~~strengthened. As such, a Thoroughbred Breeder's Program Task~~  
24 ~~Force is to be appointed by the Governor by September 1, 1999~~  
25 ~~to make recommendations to the General Assembly by no later~~  
26 ~~than March 1, 2000. This task force is to be composed of 2~~

1 ~~representatives from the Illinois Thoroughbred Breeders and~~  
2 ~~Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's~~  
3 ~~Association, 3 from Illinois race tracks operating~~  
4 ~~thoroughbred race meets for an average of at least 30 days in~~  
5 ~~the past 3 years, the Director of Agriculture, the Executive~~  
6 ~~Director of the Racing Board, who shall serve as Chairman.~~

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