

Rep. Dennis M. Reboletti

Filed: 3/14/2014

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1 AMENDMENT TO HOUSE BILL 5903

2 AMENDMENT NO. _____. Amend House Bill 5903 by replacing

3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Horse Racing Act of 1975 is

5 amended by changing Section 30 as follows:

the provisions of this Act.

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

Sec. 30. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of thoroughbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality thoroughbred horses to participate in thoroughbred racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by

- (b) Each organization licensee conducting a thoroughbred racing meeting pursuant to this Act shall provide at least two races each day limited to Illinois conceived and foaled horses or Illinois foaled horses or both. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled or Illinois foaled horses or both. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.
 - (c) Conditions of races under subsection (b) shall be commensurate with past performance, quality, and class of Illinois conceived and foaled and Illinois 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.
 - (d) There is hereby created a special fund of the State Treasury to be known as the Illinois Thoroughbred Breeders Fund.
- Except as provided in subsection (g) of Section 27 of this Act, 8.5% of all the monies received by the State as privilege taxes on Thoroughbred racing meetings shall be paid into the Illinois Thoroughbred Breeders Fund.
- (e) The Illinois Thoroughbred Breeders Fund shall be administered by the Department of Agriculture with the advice and assistance of the Advisory Board created in subsection (f) of this Section.

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(f) The Illinois Thoroughbred Breeders Fund Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; a member of the Illinois Racing Board, designated by it; 3 $\frac{2}{2}$ representatives licensees conducting thoroughbred organization racing meetings, recommended by them; 2 representatives of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by it; one representative and 2 representatives of the Illinois Horsemen's Benevolent and Protective Association, recommended by it; and one representative of the Illinois Thoroughbred Horsemen's Association, Inc. or any successor organization established in Illinois comprised of the largest number of owners and trainers, recommended by it, with one representative of the Horsemen's Benevolent and Protective Association to come from its Illinois Division, and one from its Chicago Division. Advisory Board members shall serve for 2 years commencing January 1 of each odd numbered year. If representatives of the organization licensees conducting thoroughbred racing meetings, the Illinois Thoroughbred Breeders and Owners Foundation, and the Horsemen's Benevolent Protection Association have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and

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- necessary expenses and disbursements incurred in the execution of their official duties.
 - (g) No monies shall be expended from the Illinois Thoroughbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois Thoroughbred Breeders Fund shall be expended by the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, for the following purposes only:
 - (1) To provide purse supplements to owners of horses participating in races limited to Illinois conceived and foaled and Illinois foaled horses. Any such purse supplements shall not be included in and shall be paid in addition to any purses, stakes, or breeders' awards offered by each organization licensee as determined by agreement between such organization licensee and an organization representing the horsemen. No monies from the Illinois Thoroughbred Breeders Fund shall be used to provide purse supplements for claiming races in which the minimum claiming price is less than \$7,500.
 - (2) To provide stakes and awards to be paid to the owners of the winning horses in certain races limited to Illinois conceived and foaled and Illinois foaled horses designated as stakes races.
 - (2.5) To provide an award to the owner or owners of an Illinois conceived and foaled or Illinois foaled horse that

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wins a maiden special weight, an allowance, overnight handicap race, or claiming race with claiming price of \$10,000 or more providing the race is not restricted to Illinois conceived and foaled or Illinois foaled horses. Awards shall also be provided to the owner or owners of Illinois conceived and foaled and Illinois foaled horses that place second or third in those races. To the extent that additional moneys are required to pay the minimum additional awards of 40% of the purse the horse earns for placing first, second or third in those races for Illinois foaled horses and of 60% of the purse the horse earns for placing first, second or third in those races for Illinois conceived and foaled horses, those moneys shall be provided from the purse account at the track where earned.

- (3) To provide stallion awards to the owner or owners of any stallion that is duly registered with the Illinois Thoroughbred Breeders Fund Program prior to the effective date of this amendatory Act of 1995 whose duly registered Illinois conceived and foaled offspring wins a race conducted at an Illinois thoroughbred racing meeting other than a claiming race. Such award shall not be paid to the owner or owners of an Illinois stallion that served outside this State at any time during the calendar year in which such race was conducted.
- (4) To provide \$75,000 annually for purses to be distributed to county fairs that provide for the running of

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races during each county fair exclusively for the thoroughbreds conceived and foaled in Illinois. The conditions of the races shall be developed by the county fair association and reviewed by the Department with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. There shall be no wagering of any kind on the running of Illinois conceived and foaled races at county fairs.

- (4.1) To provide purse money for an Illinois stallion stakes program.
- (5) No less than 80% of all monies appropriated from the Illinois Thoroughbred Breeders Fund shall be expended for the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5) as shown above.
- (6) To provide for educational programs regarding the thoroughbred breeding industry.
- (7) To provide for research programs concerning the health, development and care of the thoroughbred horse.
- (8) To provide for a scholarship and training program for students of equine veterinary medicine.
- (9) To provide for dissemination of public information designed to promote the breeding of thoroughbred horses in Illinois.
- (10) To provide for all expenses incurred in the administration of the Illinois Thoroughbred Breeders Fund.
- (h) Whenever the Governor finds that the amount in the

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Illinois Thoroughbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Thoroughbred Breeders Fund to the General Revenue Fund.

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois foaled or an Illinois conceived and foaled horse in races not limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid by the organization licensee conducting the horse race meeting. Such sum shall be paid from the organization licensee's share of the money wagered as follows: 11 1/2% to the breeder of the winning horse and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (i) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make

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copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies. Such payments shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards under this subsection to verify accuracy of payments and assure proper distribution of breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(j) A sum equal to 12 1/2% of the first prize money won in each race limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid in the following manner by the organization licensee conducting the horse race meeting, from the organization licensee's share of the money wagered: 11 1/2% to the breeders of the horses in each such race which are the official first, second, third and fourth finishers and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for

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verifying the amounts of breeders' awards earned, assuring their proper distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies.

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

- (1) 60% of such sum shall be paid to the breeder of the horse which finishes in the official first position;
- (2) 20% of such sum shall be paid to the breeder of the horse which finishes in the official second position;
- (3) 15% of such sum shall be paid to the breeder of the horse which finishes in the official third position; and
- (4) 5% of such sum shall be paid to the breeder of the horse which finishes in the official fourth position.

Such payments shall not reduce any award to the owners of a horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders

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- 1 representative serves and owners whose on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the 2 Illinois foaled and the Illinois conceived and foaled horses 3 4 which won breeders' awards and the amount of such breeders' 5 awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 6 7 30 days of the end of each race meeting.
 - (k) The term "breeder", as used herein, means the owner of the mare at the time the foal is dropped. An "Illinois foaled horse" is a foal dropped by a mare which enters this State on or before December 1, in the year in which the horse is bred, provided the mare remains continuously in this State until its foal is born. An "Illinois foaled horse" also means a foal born of a mare in the same year as the mare enters this State on or before March 1, and remains in this State at least 30 days after foaling, is bred back during the season of the foaling to Illinois Registered Stallion (unless a veterinarian certifies that the mare should not be bred for health reasons), and is not bred to a stallion standing in any other state during the season of foaling. An "Illinois foaled horse" also means a foal born in Illinois of a mare purchased at public auction subsequent to the mare entering this State prior to February 1 of the foaling year providing the mare is owned solely by one or more Illinois residents or an Illinois entity that is entirely owned by one or more Illinois residents.
 - (1) The Department of Agriculture shall, by rule, with the

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1 advice and assistance of the Illinois Thoroughbred Breeders 2 Fund Advisory Board:

- (1) Qualify stallions for Illinois breeding; stallions to stand for service within the State of Illinois at the time of a foal's conception. Such stallion must not stand for service at any place outside the State of Illinois during the calendar year in which the foal is conceived. The Department of Agriculture may assess and collect application fees for the registration Illinois-eligible stallions. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund.
- (2) Provide for the registration of Illinois conceived and foaled horses and Illinois foaled horses. No such horse shall compete in the races limited to Illinois conceived and foaled horses or Illinois foaled horses or both unless registered with the Department of Agriculture. Department of Agriculture may prescribe such forms as are necessary to determine the eligibility of such horses. The Department of Agriculture may assess and collect application fees for the registration of Illinois-eligible foals. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information.
- (m) The Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory

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1 Board, shall provide that certain races limited to Illinois conceived and foaled and Illinois foaled horses be stakes races 2 and determine the total amount of stakes and awards to be paid 3 4 to the owners of the winning horses in such races.

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

(n) The Board and the organizational licensee shall notify the Department of the conditions and minimum purses for races limited to Illinois conceived and foaled and Illinois foaled horses conducted for each organizational licensee conducting a thoroughbred racing meeting. The Department of Agriculture with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, the number of races that may occur,

organizational licensee's purse structure.

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

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2 (\circ) In order to improve the breeding quality of 3 thoroughbred horses in the State, the General Assembly 4 recognizes that existing provisions of this Section to 5 encourage such quality breeding need to be revised and 6 strengthened. As such, a Thoroughbred Breeder's Program Task 7 Force is to be appointed by the Governor by September 1, 1999 to make recommendations to the General Assembly by no later 8 9 than March 1, 2000. This task force is to be composed of 2 10 representatives from the Illinois Thoroughbred Breeders and Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's 11 12 Association, 3 from Illinois race tracks operating thoroughbred race meets for an average of at least 30 days in 13 the past 3 years, the Director of Agriculture, the Executive 14 15 Director of the Racing Board, who shall serve as Chairman.