



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

**HB3440**

Introduced 2/27/2007, by Rep. Robert S. Molaro

#### SYNOPSIS AS INTRODUCED:

230 ILCS 5/26

from Ch. 8, par. 37-26

Amends the Illinois Horse Racing Act of 1975. Provides that the sum held by any licensee for payment of outstanding vouchers, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such vouchers until that date. Provides that the unclaimed amounts shall be paid to the Illinois Veterans' Rehabilitation Fund. Effective immediately.

LRB095 11145 AMC 31485 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 (c-10) Beginning on the effective date of this amendatory  
7 Act of the 95th General Assembly, the sum held by any licensee  
8 for payment of outstanding vouchers, if unclaimed prior to  
9 December 31 of the next year, shall be retained by the licensee  
10 for payment of such vouchers until that date. Within 10 days  
11 thereafter, the balance of such sum remaining unclaimed shall  
12 be paid to the Illinois Veterans' Rehabilitation Fund.

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

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

1           (f) Notwithstanding the other provisions of this Act, an  
2 organization licensee may contract with an entity in another  
3 state or country to permit any legal wagering entity in another  
4 state or country to accept wagers solely within such other  
5 state or country on races conducted by the organization  
6 licensee in this State. Beginning January 1, 2000, these wagers  
7 shall not be subject to State taxation. Until January 1, 2000,  
8 when the out-of-State entity conducts a pari-mutuel pool  
9 separate from the organization licensee, a privilege tax equal  
10 to 7 1/2% of all monies received by the organization licensee  
11 from entities in other states or countries pursuant to such  
12 contracts is imposed on the organization licensee, and such  
13 privilege tax shall be remitted to the Department of Revenue  
14 within 48 hours of receipt of the moneys from the simulcast.  
15 When the out-of-State entity conducts a combined pari-mutuel  
16 pool with the organization licensee, the tax shall be 10% of  
17 all monies received by the organization licensee with 25% of  
18 the receipts from this 10% tax to be distributed to the county  
19 in which the race was conducted.

20           An organization licensee may permit one or more of its  
21 races to be utilized for pari-mutuel wagering at one or more  
22 locations in other states and may transmit audio and visual  
23 signals of races the organization licensee conducts to one or  
24 more locations outside the State or country and may also permit  
25 pari-mutuel pools in other states or countries to be combined  
26 with its gross or net wagering pools or with wagering pools

1 established by other states.

2 (g) A host track may accept interstate simulcast wagers on  
3 horse races conducted in other states or countries and shall  
4 control the number of signals and types of breeds of racing in  
5 its simulcast program, subject to the disapproval of the Board.  
6 The Board may prohibit a simulcast program only if it finds  
7 that the simulcast program is clearly adverse to the integrity  
8 of racing. The host track simulcast program shall include the  
9 signal of live racing of all organization licensees. All  
10 non-host licensees shall carry the host track simulcast program  
11 and accept wagers on all races included as part of the  
12 simulcast program upon which wagering is permitted. The costs  
13 and expenses of the host track and non-host licensees  
14 associated with interstate simulcast wagering, other than the  
15 interstate commission fee, shall be borne by the host track and  
16 all non-host licensees incurring these costs. The interstate  
17 commission fee shall not exceed 5% of Illinois handle on the  
18 interstate simulcast race or races without prior approval of  
19 the Board. The Board shall promulgate rules under which it may  
20 permit interstate commission fees in excess of 5%. The  
21 interstate commission fee and other fees charged by the sending  
22 racetrack, including, but not limited to, satellite decoder  
23 fees, shall be uniformly applied to the host track and all  
24 non-host licensees.

25 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
26 intertrack wagering licensee other than the host track may

1 supplement the host track simulcast program with  
2 additional simulcast races or race programs, provided that  
3 between January 1 and the third Friday in February of any  
4 year, inclusive, if no live thoroughbred racing is  
5 occurring in Illinois during this period, only  
6 thoroughbred races may be used for supplemental interstate  
7 simulcast purposes. The Board shall withhold approval for a  
8 supplemental interstate simulcast only if it finds that the  
9 simulcast is clearly adverse to the integrity of racing. A  
10 supplemental interstate simulcast may be transmitted from  
11 an intertrack wagering licensee to its affiliated non-host  
12 licensees. The interstate commission fee for a  
13 supplemental interstate simulcast shall be paid by the  
14 non-host licensee and its affiliated non-host licensees  
15 receiving the simulcast.

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

26 (3) Each licensee conducting interstate simulcast

1           wagering may retain, subject to the payment of all  
2           applicable taxes and the purses, an amount not to exceed  
3           17% of all money wagered. If any licensee conducts the  
4           pari-mutuel system wagering on races conducted at  
5           racetracks in another state or country, each such race or  
6           race program shall be considered a separate racing day for  
7           the purpose of determining the daily handle and computing  
8           the privilege tax of that daily handle as provided in  
9           subsection (a) of Section 27. Until January 1, 2000, from  
10          the sums permitted to be retained pursuant to this  
11          subsection, each intertrack wagering location licensee  
12          shall pay 1% of the pari-mutuel handle wagered on simulcast  
13          wagering to the Horse Racing Tax Allocation Fund, subject  
14          to the provisions of subparagraph (B) of paragraph (11) of  
15          subsection (h) of Section 26 of this Act.

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



1           (5) After the payment of the interstate commission fee  
2           (except for the interstate commission fee on a supplemental  
3           interstate simulcast, which shall be paid by the host track  
4           and by each non-host licensee through the host-track) and  
5           all applicable State and local taxes, except as provided in  
6           subsection (g) of Section 27 of this Act, the remainder of  
7           moneys retained from simulcast wagering pursuant to this  
8           subsection (g), and Section 26.2 shall be divided as  
9           follows:

10           (A) For interstate simulcast wagers made at a host  
11           track, 50% to the host track and 50% to purses at the  
12           host track.

13           (B) For wagers placed on interstate simulcast  
14           races, supplemental simulcasts as defined in  
15           subparagraphs (1) and (2), and separately pooled races  
16           conducted outside of the State of Illinois made at a  
17           non-host licensee, 25% to the host track, 25% to the  
18           non-host licensee, and 50% to the purses at the host  
19           track.

20           (6) Notwithstanding any provision in this Act to the  
21           contrary, non-host licensees who derive their licenses  
22           from a track located in a county with a population in  
23           excess of 230,000 and that borders the Mississippi River  
24           may receive supplemental interstate simulcast races at all  
25           times subject to Board approval, which shall be withheld  
26           only upon a finding that a supplemental interstate

1 simulcast is clearly adverse to the integrity of racing.

2 (7) Notwithstanding any provision of this Act to the  
3 contrary, after payment of all applicable State and local  
4 taxes and interstate commission fees, non-host licensees  
5 who derive their licenses from a track located in a county  
6 with a population in excess of 230,000 and that borders the  
7 Mississippi River shall retain 50% of the retention from  
8 interstate simulcast wagers and shall pay 50% to purses at  
9 the track from which the non-host licensee derives its  
10 license as follows:

11 (A) Between January 1 and the third Friday in  
12 February, inclusive, if no live thoroughbred racing is  
13 occurring in Illinois during this period, when the  
14 interstate simulcast is a standardbred race, the purse  
15 share to its standardbred purse account;

16 (B) Between January 1 and the third Friday in  
17 February, inclusive, if no live thoroughbred racing is  
18 occurring in Illinois during this period, and the  
19 interstate simulcast is a thoroughbred race, the purse  
20 share to its interstate simulcast purse pool to be  
21 distributed under paragraph (10) of this subsection  
22 (g);

23 (C) Between January 1 and the third Friday in  
24 February, inclusive, if live thoroughbred racing is  
25 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.  
26 the purse share from wagers made during this time

1 period to its thoroughbred purse account and between  
2 6:30 p.m. and 6:30 a.m. the purse share from wagers  
3 made during this time period to its standardbred purse  
4 accounts;

5 (D) Between the third Saturday in February and  
6 December 31, when the interstate simulcast occurs  
7 between the hours of 6:30 a.m. and 6:30 p.m., the purse  
8 share to its thoroughbred purse account;

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

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

21 (A) If the licensee that conducts horse racing at  
22 that racetrack requests from the Board at least as many  
23 racing dates as were conducted in calendar year 2000,  
24 80% shall be paid to its thoroughbred purse account;  
25 and

26 (B) Twenty percent shall be deposited into the

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

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

24 (A) If the licensee that conducts horse racing at  
25 that racetrack requests from the Board at least as many  
26 racing dates as were conducted in calendar year 2000,

1           80% shall be deposited into its standardbred purse  
2           account; and

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

21                   (7.3) If no live standardbred racing is conducted at a  
22          racetrack located in Madison County in calendar year 2000  
23          or 2001, an organization licensee who is licensed to  
24          conduct horse racing at that racetrack shall, before  
25          January 1, 2002, pay all moneys derived from simulcast  
26          wagering and inter-track wagering in calendar years 2000

1 and 2001 and paid into the licensee's standardbred purse  
2 account as follows:

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

5 (B) Twenty percent to the Illinois Colt Stakes  
6 Purse Distribution Fund.

7 Failure to make the payment to the Illinois Colt Stakes  
8 Purse Distribution Fund before January 1, 2002 shall result  
9 in the immediate revocation of the licensee's organization  
10 license, inter-track wagering license, and inter-track  
11 wagering location license.

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

24 (7.4) If live standardbred racing is conducted at a  
25 racetrack located in Madison County at any time in calendar  
26 year 2001 before the payment required under paragraph (7.3)

1 has been made, the organization licensee who is licensed to  
2 conduct racing at that racetrack shall pay all moneys  
3 derived by that racetrack from simulcast wagering and  
4 inter-track wagering during calendar years 2000 and 2001  
5 that (1) are to be used for purses and (2) are generated  
6 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or  
7 2001 to the standardbred purse account at that racetrack to  
8 be used for standardbred purses.

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

16 (8.1) Notwithstanding any provisions in this Act to the  
17 contrary, if 2 organization licensees are conducting  
18 standardbred race meetings concurrently between the hours  
19 of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
20 State and local taxes and interstate commission fees, the  
21 remainder of the amount retained from simulcast wagering  
22 otherwise attributable to the host track and to host track  
23 purses shall be split daily between the 2 organization  
24 licensees and the purses at the tracks of the 2  
25 organization licensees, respectively, based on each  
26 organization licensee's share of the total live handle for

1           that day, provided that this provision shall not apply to  
2           any non-host 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.

5           (9) (Blank).

6           (10) (Blank).

7           (11) (Blank).

8           (12) The Board shall have authority to compel all host  
9           tracks to receive the simulcast of any or all races  
10          conducted at the Springfield or DuQuoin State fairgrounds  
11          and include all such races as part of their simulcast  
12          programs.

13          (13) Notwithstanding any other provision of this Act,  
14          in the event that the total Illinois pari-mutuel handle on  
15          Illinois horse races at all wagering facilities in any  
16          calendar year is less than 75% of the total Illinois  
17          pari-mutuel handle on Illinois horse races at all such  
18          wagering facilities for calendar year 1994, then each  
19          wagering facility that has an annual total Illinois  
20          pari-mutuel handle on Illinois horse races that is less  
21          than 75% of the total Illinois pari-mutuel handle on  
22          Illinois horse races at such wagering facility for calendar  
23          year 1994, shall be permitted to receive, from any amount  
24          otherwise payable to the purse account at the race track  
25          with which the wagering facility is affiliated in the  
26          succeeding calendar year, an amount equal to 2% of the



1 differential in total Illinois pari-mutuel handle on  
2 Illinois horse races at the wagering facility between that  
3 calendar year in question and 1994 provided, however, that  
4 a wagering facility shall not be entitled to any such  
5 payment until the Board certifies in writing to the  
6 wagering facility the amount to which the wagering facility  
7 is entitled and a schedule for payment of the amount to the  
8 wagering facility, based on: (i) the racing dates awarded  
9 to the race track affiliated with the wagering facility  
10 during the succeeding year; (ii) the sums available or  
11 anticipated to be available in the purse account of the  
12 race track affiliated with the wagering facility for purses  
13 during the succeeding year; and (iii) the need to ensure  
14 reasonable purse levels during the payment period. The  
15 Board's certification shall be provided no later than  
16 January 31 of the succeeding year. In the event a wagering  
17 facility entitled to a payment under this paragraph (13) is  
18 affiliated with a race track that maintains purse accounts  
19 for both standardbred and thoroughbred racing, the amount  
20 to be paid to the wagering facility shall be divided  
21 between each purse account pro rata, based on the amount of  
22 Illinois handle on Illinois standardbred and thoroughbred  
23 racing respectively at the wagering facility during the  
24 previous calendar year. Annually, the General Assembly  
25 shall appropriate sufficient funds from the General  
26 Revenue Fund to the Department of Agriculture for payment

1 into the thoroughbred and standardbred horse racing purse  
2 accounts at Illinois pari-mutuel tracks. The amount paid to  
3 each purse account shall be the amount certified by the  
4 Illinois Racing Board in January to be transferred from  
5 each account to each eligible racing facility in accordance  
6 with the provisions of this Section.

7 (h) The Board may approve and license the conduct of  
8 inter-track wagering and simulcast wagering by inter-track  
9 wagering licensees and inter-track wagering location licensees  
10 subject to the following terms and conditions:

11 (1) Any person licensed to conduct a race meeting (i)  
12 at a track where 60 or more days of racing were conducted  
13 during the immediately preceding calendar year or where  
14 over the 5 immediately preceding calendar years an average  
15 of 30 or more days of racing were conducted annually may be  
16 issued an inter-track wagering license; (ii) at a track  
17 located in a county that is bounded by the Mississippi  
18 River, which has a population of less than 150,000  
19 according to the 1990 decennial census, and an average of  
20 at least 60 days of racing per year between 1985 and 1993  
21 may be issued an inter-track wagering license; or (iii) at  
22 a track located in Madison County that conducted at least  
23 100 days of live racing during the immediately preceding  
24 calendar year may be issued an inter-track wagering  
25 license, unless a lesser schedule of live racing is the  
26 result of (A) weather, unsafe track conditions, or other

1 acts of God; (B) an agreement between the organization  
2 licensee and the associations representing the largest  
3 number of owners, trainers, jockeys, or standardbred  
4 drivers who race horses at that organization licensee's  
5 racing meeting; or (C) a finding by the Board of  
6 extraordinary circumstances and that it was in the best  
7 interest of the public and the sport to conduct fewer than  
8 100 days of live racing. Any such person having operating  
9 control of the racing facility may also receive up to 6  
10 inter-track wagering location licenses. In no event shall  
11 more than 6 inter-track wagering locations be established  
12 for each eligible race track, except that an eligible race  
13 track located in a county that has a population of more  
14 than 230,000 and that is bounded by the Mississippi River  
15 may establish up to 7 inter-track wagering locations. An  
16 application for said license shall be filed with the Board  
17 prior to such dates as may be fixed by the Board. With an  
18 application for an inter-track wagering location license  
19 there shall be delivered to the Board a certified check or  
20 bank draft payable to the order of the Board for an amount  
21 equal to \$500. The application shall be on forms prescribed  
22 and furnished by the Board. The application shall comply  
23 with all other rules, regulations and conditions imposed by  
24 the Board in connection therewith.

25 (2) The Board shall examine the applications with  
26 respect to their conformity with this Act and the rules and

1 regulations imposed by the Board. If found to be in  
2 compliance with the Act and rules and regulations of the  
3 Board, the Board may then issue a license to conduct  
4 inter-track wagering and simulcast wagering to such  
5 applicant. All such applications shall be acted upon by the  
6 Board at a meeting to be held on such date as may be fixed  
7 by the Board.

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

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

23 (5) Each license to conduct inter-track wagering and  
24 simulcast wagering shall specify the person to whom it is  
25 issued, the dates on which such wagering is permitted, and  
26 the track or location where the wagering is to be

1 conducted.

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

6 (7) An inter-track wagering licensee or inter-track  
7 wagering location licensee may accept wagers at the track  
8 or location where it is licensed, or as otherwise provided  
9 under this Act.

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

13 (8.1) Inter-track wagering location licensees who  
14 derive their licenses from a particular organization  
15 licensee shall conduct inter-track wagering and simulcast  
16 wagering only at locations which are either within 90 miles  
17 of that race track where the particular organization  
18 licensee is licensed to conduct racing, or within 135 miles  
19 of that race track where the particular organization  
20 licensee is licensed to conduct racing in the case of race  
21 tracks in counties of less than 400,000 that were operating  
22 on or before June 1, 1986. However, inter-track wagering  
23 and simulcast wagering shall not be conducted by those  
24 licensees at any location within 5 miles of any race track  
25 at which a horse race meeting has been licensed in the  
26 current year, unless the person having operating control of

1 such race track has given its written consent to such  
2 inter-track wagering location licensees, which consent  
3 must be filed with the Board at or prior to the time  
4 application is made.

5 (8.2) Inter-track wagering or simulcast wagering shall  
6 not be conducted by an inter-track wagering location  
7 licensee at any location within 500 feet of an existing  
8 church or existing school, nor within 500 feet of the  
9 residences of more than 50 registered voters without  
10 receiving written permission from a majority of the  
11 registered voters at such residences. Such written  
12 permission statements shall be filed with the Board. The  
13 distance of 500 feet shall be measured to the nearest part  
14 of any building used for worship services, education  
15 programs, residential purposes, or conducting inter-track  
16 wagering by an inter-track wagering location licensee, and  
17 not to property boundaries. However, inter-track wagering  
18 or simulcast wagering may be conducted at a site within 500  
19 feet of a church, school or residences of 50 or more  
20 registered voters if such church, school or residences have  
21 been erected or established, or such voters have been  
22 registered, after the Board issues the original  
23 inter-track wagering location license at the site in  
24 question. Inter-track wagering location licensees may  
25 conduct inter-track wagering and simulcast wagering only  
26 in areas that are zoned for commercial or manufacturing

1 purposes or in areas for which a special use has been  
2 approved by the local zoning authority. However, no license  
3 to conduct inter-track wagering and simulcast wagering  
4 shall be granted by the Board with respect to any  
5 inter-track wagering location within the jurisdiction of  
6 any local zoning authority which has, by ordinance or by  
7 resolution, prohibited the establishment of an inter-track  
8 wagering location within its jurisdiction. However,  
9 inter-track wagering and simulcast wagering may be  
10 conducted at a site if such ordinance or resolution is  
11 enacted after the Board licenses the original inter-track  
12 wagering location licensee for the site in question.

13 (9) (Blank).

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

24 (10.1) Except as provided in subsection (g) of Section  
25 27 of this Act, inter-track wagering location licensees  
26 shall pay 1% of the pari-mutuel handle at each location to

1 the municipality in which such location is situated and 1%  
2 of the pari-mutuel handle at each location to the county in  
3 which such location is situated. In the event that an  
4 inter-track wagering location licensee is situated in an  
5 unincorporated area of a county, such licensee shall pay 2%  
6 of the pari-mutuel handle from such location to such  
7 county.

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

24 (A) That portion of all moneys wagered on  
25 standardbred racing that is required under this Act to  
26 be paid to purses shall be paid to purses for



1 standardbred races.

2 (B) That portion of all moneys wagered on  
3 thoroughbred racing that is required under this Act to  
4 be paid to purses shall be paid to purses for  
5 thoroughbred races.

6 (11) (A) After payment of the privilege or pari-mutuel  
7 tax, any other applicable taxes, and the costs and expenses  
8 in connection with the gathering, transmission, and  
9 dissemination of all data necessary to the conduct of  
10 inter-track wagering, the remainder of the monies retained  
11 under either Section 26 or Section 26.2 of this Act by the  
12 inter-track wagering licensee on inter-track wagering  
13 shall be allocated with 50% to be split between the 2  
14 participating licensees and 50% to purses, except that an  
15 intertrack wagering licensee that derives its license from  
16 a track located in a county with a population in excess of  
17 230,000 and that borders the Mississippi River shall not  
18 divide any remaining retention with the Illinois  
19 organization licensee that provides the race or races, and  
20 an intertrack wagering licensee that accepts wagers on  
21 races conducted by an organization licensee that conducts a  
22 race meet in a county with a population in excess of  
23 230,000 and that borders the Mississippi River shall not  
24 divide any remaining retention with that organization  
25 licensee.

26 (B) From the sums permitted to be retained pursuant to

1           this Act each inter-track wagering location licensee shall  
2           pay (i) the privilege or pari-mutuel tax to the State; (ii)  
3           4.75% of the pari-mutuel handle on intertrack wagering at  
4           such location on races as purses, except that an intertrack  
5           wagering location licensee that derives its license from a  
6           track located in a county with a population in excess of  
7           230,000 and that borders the Mississippi River shall retain  
8           all purse moneys for its own purse account consistent with  
9           distribution set forth in this subsection (h), and  
10          intertrack wagering location licensees that accept wagers  
11          on races conducted by an organization licensee located in a  
12          county with a population in excess of 230,000 and that  
13          borders the Mississippi River shall distribute all purse  
14          moneys to purses at the operating host track; (iii) until  
15          January 1, 2000, except as provided in subsection (g) of  
16          Section 27 of this Act, 1% of the pari-mutuel handle  
17          wagered on inter-track wagering and simulcast wagering at  
18          each inter-track wagering location licensee facility to  
19          the Horse Racing Tax Allocation Fund, provided that, to the  
20          extent the total amount collected and distributed to the  
21          Horse Racing Tax Allocation Fund under this subsection (h)  
22          during any calendar year exceeds the amount collected and  
23          distributed to the Horse Racing Tax Allocation Fund during  
24          calendar year 1994, that excess amount shall be  
25          redistributed (I) to all inter-track wagering location  
26          licensees, based on each licensee's pro-rata share of the

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

1 licensee during the calendar year in question; and (iv) 8%  
2 of the pari-mutuel handle on inter-track wagering wagered  
3 at such location to satisfy all costs and expenses of  
4 conducting its wagering. The remainder of the monies  
5 retained by the inter-track wagering location licensee  
6 shall be allocated 40% to the location licensee and 60% to  
7 the organization licensee which provides the Illinois  
8 races to the location, except that an intertrack wagering  
9 location licensee that derives its license from a track  
10 located in a county with a population in excess of 230,000  
11 and that borders the Mississippi River shall not divide any  
12 remaining retention with the organization licensee that  
13 provides the race or races and an intertrack wagering  
14 location licensee that accepts wagers on races conducted by  
15 an organization licensee that conducts a race meet in a  
16 county with a population in excess of 230,000 and that  
17 borders the Mississippi River shall not divide any  
18 remaining retention with the organization licensee.  
19 Notwithstanding the provisions of clauses (ii) and (iv) of  
20 this paragraph, in the case of the additional inter-track  
21 wagering location licenses authorized under paragraph (1)  
22 of this subsection (h) by this amendatory Act of 1991,  
23 those licensees shall pay the following amounts as purses:  
24 during the first 12 months the licensee is in operation,  
25 5.25% of the pari-mutuel handle wagered at the location on  
26 races; during the second 12 months, 5.25%; during the third

1 12 months, 5.75%; during the fourth 12 months, 6.25%; and  
2 during the fifth 12 months and thereafter, 6.75%. The  
3 following amounts shall be retained by the licensee to  
4 satisfy all costs and expenses of conducting its wagering:  
5 during the first 12 months the licensee is in operation,  
6 8.25% of the pari-mutuel handle wagered at the location;  
7 during the second 12 months, 8.25%; during the third 12  
8 months, 7.75%; during the fourth 12 months, 7.25%; and  
9 during the fifth 12 months and thereafter, 6.75%. For  
10 additional intertrack wagering location licensees  
11 authorized under this amendatory Act of 1995, purses for  
12 the first 12 months the licensee is in operation shall be  
13 5.75% of the pari-mutuel wagered at the location, purses  
14 for the second 12 months the licensee is in operation shall  
15 be 6.25%, and purses thereafter shall be 6.75%. For  
16 additional intertrack location licensees authorized under  
17 this amendatory Act of 1995, the licensee shall be allowed  
18 to retain to satisfy all costs and expenses: 7.75% of the  
19 pari-mutuel handle wagered at the location during its first  
20 12 months of operation, 7.25% during its second 12 months  
21 of operation, and 6.75% thereafter.

22 (C) There is hereby created the Horse Racing Tax  
23 Allocation Fund which shall remain in existence until  
24 December 31, 1999. Moneys remaining in the Fund after  
25 December 31, 1999 shall be paid into the General Revenue  
26 Fund. Until January 1, 2000, all monies paid into the Horse

1 Racing Tax Allocation Fund pursuant to this paragraph (11)  
2 by inter-track wagering location licensees located in park  
3 districts of 500,000 population or less, or in a  
4 municipality that is not included within any park district  
5 but is included within a conservation district and is the  
6 county seat of a county that (i) is contiguous to the state  
7 of Indiana and (ii) has a 1990 population of 88,257  
8 according to the United States Bureau of the Census, and  
9 operating on May 1, 1994 shall be allocated by  
10 appropriation as follows:

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

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

22 Four-sevenths to park districts or municipalities  
23 that do not have a park district of 500,000 population  
24 or less for museum purposes (if an inter-track wagering  
25 location licensee is located in such a park district)  
26 or to conservation districts for museum purposes (if an

1 inter-track wagering location licensee is located in a  
2 municipality that is not included within any park  
3 district but is included within a conservation  
4 district and is the county seat of a county that (i) is  
5 contiguous to the state of Indiana and (ii) has a 1990  
6 population of 88,257 according to the United States  
7 Bureau of the Census, except that if the conservation  
8 district does not maintain a museum, the monies shall  
9 be allocated equally between the county and the  
10 municipality in which the inter-track wagering  
11 location licensee is located for general purposes) or  
12 to a municipal recreation board for park purposes (if  
13 an inter-track wagering location licensee is located  
14 in a municipality that is not included within any park  
15 district and park maintenance is the function of the  
16 municipal recreation board and the municipality has a  
17 1990 population of 9,302 according to the United States  
18 Bureau of the Census); provided that the monies are  
19 distributed to each park district or conservation  
20 district or municipality that does not have a park  
21 district in an amount equal to four-sevenths of the  
22 amount collected by each inter-track wagering location  
23 licensee within the park district or conservation  
24 district or municipality for the Fund. Monies that were  
25 paid into the Horse Racing Tax Allocation Fund before  
26 the effective date of this amendatory Act of 1991 by an



1 inter-track wagering location licensee located in a  
2 municipality that is not included within any park  
3 district but is included within a conservation  
4 district as provided in this paragraph shall, as soon  
5 as practicable after the effective date of this  
6 amendatory Act of 1991, be allocated and paid to that  
7 conservation district as provided in this paragraph.  
8 Any park district or municipality not maintaining a  
9 museum may deposit the monies in the corporate fund of  
10 the park district or municipality where the  
11 inter-track wagering location is located, to be used  
12 for general purposes; and

13 One-seventh to the Agricultural Premium Fund to be  
14 used for distribution to agricultural home economics  
15 extension councils in accordance with "An Act in  
16 relation to additional support and finances for the  
17 Agricultural and Home Economic Extension Councils in  
18 the several counties of this State and making an  
19 appropriation therefor", approved July 24, 1967.

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

23 Two-sevenths to the Department of Agriculture.  
24 Fifty percent of this two-sevenths shall be used to  
25 promote the Illinois horse racing and breeding  
26 industry, and shall be distributed by the Department of

1 Agriculture upon the advice of a 9-member committee  
2 appointed by the Governor consisting of the following  
3 members: the Director of Agriculture, who shall serve  
4 as chairman; 2 representatives of organization  
5 licensees conducting thoroughbred race meetings in  
6 this State, recommended by those licensees; 2  
7 representatives of organization licensees conducting  
8 standardbred race meetings in this State, recommended  
9 by those licensees; a representative of the Illinois  
10 Thoroughbred Breeders and Owners Foundation,  
11 recommended by that Foundation; a representative of  
12 the Illinois Standardbred Owners and Breeders  
13 Association, recommended by that Association; a  
14 representative of the Horsemen's Benevolent and  
15 Protective Association or any successor organization  
16 thereto established in Illinois comprised of the  
17 largest number of owners and trainers, recommended by  
18 that Association or that successor organization; and a  
19 representative of the Illinois Harness Horsemen's  
20 Association, recommended by that Association.  
21 Committee members shall serve for terms of 2 years,  
22 commencing January 1 of each even-numbered year. If a  
23 representative of any of the above-named entities has  
24 not been recommended by January 1 of any even-numbered  
25 year, the Governor shall appoint a committee member to  
26 fill that position. Committee members shall receive no

1 compensation for their services as members but shall be  
2 reimbursed for all actual and necessary expenses and  
3 disbursements incurred in the performance of their  
4 official duties. The remaining 50% of this  
5 two-sevenths shall be distributed to county fairs for  
6 premiums and rehabilitation as set forth in the  
7 Agricultural Fair Act;

8 Four-sevenths to museums and aquariums located in  
9 park districts of over 500,000 population; provided  
10 that the monies are distributed in accordance with the  
11 previous year's distribution of the maintenance tax  
12 for such museums and aquariums as provided in Section 2  
13 of the Park District Aquarium and Museum Act; and

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

23 (D) Except as provided in paragraph (11) of this  
24 subsection (h), with respect to purse allocation from  
25 intertrack wagering, the monies so retained shall be  
26 divided as follows:

1           (i) If the inter-track wagering licensee,  
2           except an intertrack wagering licensee that  
3           derives its license from an organization licensee  
4           located in a county with a population in excess of  
5           230,000 and bounded by the Mississippi River, is  
6           not conducting its own race meeting during the same  
7           dates, then the entire purse allocation shall be to  
8           purses at the track where the races wagered on are  
9           being conducted.

10          (ii) If the inter-track wagering licensee,  
11          except an intertrack wagering licensee that  
12          derives its license from an organization licensee  
13          located in a county with a population in excess of  
14          230,000 and bounded by the Mississippi River, is  
15          also conducting its own race meeting during the  
16          same dates, then the purse allocation shall be as  
17          follows: 50% to purses at the track where the races  
18          wagered on are being conducted; 50% to purses at  
19          the track where the inter-track wagering licensee  
20          is accepting such wagers.

21          (iii) If the inter-track wagering is being  
22          conducted by an inter-track wagering location  
23          licensee, except an intertrack wagering location  
24          licensee that derives its license from an  
25          organization licensee located in a county with a  
26          population in excess of 230,000 and bounded by the

1           Mississippi River, the entire purse allocation for  
2           Illinois races shall be to purses at the track  
3           where the race meeting being wagered on is being  
4           held.

5           (12) The Board shall have all powers necessary and  
6           proper to fully supervise and control the conduct of  
7           inter-track wagering and simulcast wagering by inter-track  
8           wagering licensees and inter-track wagering location  
9           licensees, including, but not limited to the following:

10           (A) The Board is vested with power to promulgate  
11           reasonable rules and regulations for the purpose of  
12           administering the conduct of this wagering and to  
13           prescribe reasonable rules, regulations and conditions  
14           under which such wagering shall be held and conducted.  
15           Such rules and regulations are to provide for the  
16           prevention of practices detrimental to the public  
17           interest and for the best interests of said wagering  
18           and to impose penalties for violations thereof.

19           (B) The Board, and any person or persons to whom it  
20           delegates this power, is vested with the power to enter  
21           the facilities of any licensee to determine whether  
22           there has been compliance with the provisions of this  
23           Act and the rules and regulations relating to the  
24           conduct of such wagering.

25           (C) The Board, and any person or persons to whom it  
26           delegates this power, may eject or exclude from any

1 licensee's facilities, any person whose conduct or  
2 reputation is such that his presence on such premises  
3 may, in the opinion of the Board, call into the  
4 question the honesty and integrity of, or interfere  
5 with the orderly conduct of such wagering; provided,  
6 however, that no person shall be excluded or ejected  
7 from such premises solely on the grounds of race,  
8 color, creed, national origin, ancestry, or sex.

9 (D) (Blank).

10 (E) The Board is vested with the power to appoint  
11 delegates to execute any of the powers granted to it  
12 under this Section for the purpose of administering  
13 this wagering and any rules and regulations  
14 promulgated in accordance with this Act.

15 (F) The Board shall name and appoint a State  
16 director of this wagering who shall be a representative  
17 of the Board and whose duty it shall be to supervise  
18 the conduct of inter-track wagering as may be provided  
19 for by the rules and regulations of the Board; such  
20 rules and regulation shall specify the method of  
21 appointment and the Director's powers, authority and  
22 duties.

23 (G) The Board is vested with the power to impose  
24 civil penalties of up to \$5,000 against individuals and  
25 up to \$10,000 against licensees for each violation of  
26 any provision of this Act relating to the conduct of

1           this wagering, any rules adopted by the Board, any  
2           order of the Board or any other action which in the  
3           Board's discretion, is a detriment or impediment to  
4           such wagering.

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

1 Illinois State Fair in Sangamon County or the DuQuoin State  
2 Fair in Perry County, or to any wagering conducted on those  
3 race meetings.

4 (i) Notwithstanding the other provisions of this Act, the  
5 conduct of wagering at wagering facilities is authorized on all  
6 days, except as limited by subsection (b) of Section 19 of this  
7 Act.

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

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.