

Rep. Robert Rita

Filed: 5/24/2018

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1	AMENDMENT TO SENATE	BILL 3452
2	AMENDMENT NO Amend Sen	ate Bill 3452 by replacing
3	everything after the enacting clause	with the following:
4 5	"Section 5. The Illinois Hors amended by changing Sections 26, 26.	2
6	(230 ILCS 5/26) (from Ch. 8, par	c. 37-26)
7	Sec. 26. Wagering.	
8	(a) Any licensee may conduct and	d supervise the pari-mutuel
9	system of wagering, as defined in Se	ection 3.12 of this Act, on
10	horse races conducted by an Illinoi	s organization licensee or
11	conducted at a racetrack located in	n another state or country
12	and televised in Illinois in accorda	ance 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 circur	nstances if conducted under

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the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary notwithstanding. Subject to rules for advance wagering promulgated by the Board, any licensee may accept wagers in advance of the day of the race wagered upon occurs.

6 (b) No other method of betting, pool making, wagering or 7 gambling shall be used or permitted by the licensee. Each 8 licensee may retain, subject to the payment of all applicable 9 taxes and purses, an amount not to exceed 17% of all money 10 wagered under subsection (a) of this Section, except as may 11 otherwise be permitted under this Act.

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

19 (c) Until January 1, 2000, the sum held by any licensee for 20 payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the 21 22 licensee for payment of such tickets until that date. Within 10 23 days thereafter, the balance of such sum remaining unclaimed, 24 less any uncashed supplements contributed by such licensee for 25 the purpose of guaranteeing minimum distributions of any 26 pari-mutuel pool, shall be paid to the Illinois Veterans'

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Rehabilitation Fund of the State treasury, except as provided
 in subsection (g) of Section 27 of this Act.

(c-5) Beginning January 1, 2000, the sum held by any 3 4 licensee for payment of outstanding pari-mutuel tickets, if 5 unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that 6 date. Within 10 days thereafter, the balance of such sum 7 8 remaining unclaimed, less any uncashed supplements contributed 9 by such licensee for the purpose of guaranteeing minimum 10 distributions of any pari-mutuel pool, shall be evenly 11 distributed to the purse account of the organization licensee and the organization licensee. 12

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

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1 (f) Notwithstanding the other provisions of this Act, an organization licensee may contract with an entity in another 2 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 licensee in this State. Beginning January 1, 2000, these wagers 6 shall not be subject to State taxation. Until January 1, 2000, 7 when the out-of-State entity conducts a pari-mutuel pool 8 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 contracts is imposed on the organization licensee, and such 12 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 all monies received by the organization licensee with 25% of 17 the receipts from this 10% tax to be distributed to the county 18 in which the race was conducted. 19

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 (q) 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. The Board may prohibit a simulcast program only if it finds 6 that the simulcast program is clearly adverse to the integrity 7 of racing. The host track simulcast program shall include the 8 9 signal of live racing of all organization licensees. All 10 non-host licensees and advance deposit wagering licensees 11 shall carry the signal of and accept wagers on live racing of all organization licensees. Advance deposit wagering licensees 12 shall not be permitted to accept out-of-state wagers on any 13 14 Illinois signal provided pursuant to this Section without the 15 approval and consent of the organization licensee providing the 16 signal. For one year after August 15, 2014 (the effective date of Public Act 98-968), non-host licensees may carry the host 17 18 track simulcast program and shall accept wagers on all races 19 included as part of the simulcast program of horse races 20 conducted at race tracks located within North America upon which wagering is permitted. For a period of one year after 21 22 August 15, 2014 (the effective date of Public Act 98-968), on 23 horse races conducted at race tracks located outside of North 24 America, non-host licensees may accept wagers on all races 25 included as part of the simulcast program upon which wagering is permitted. Beginning August 15, 2015 (one year after the 26

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effective date of Public Act 98-968), non-host licensees may 1 carry the host track simulcast program and shall accept wagers 2 on all races included as part of the simulcast program upon 3 4 which wagering is permitted. All organization licensees shall 5 provide their live signal to all advance deposit wagering 6 licensees for a simulcast commission fee not to exceed 6% of the advance deposit wagering licensee's Illinois handle on the 7 8 organization licensee's signal without prior approval by the 9 Board. The Board may adopt rules under which it may permit 10 simulcast commission fees in excess of 6%. The Board shall 11 adopt rules limiting the interstate commission fees charged to an advance deposit wagering licensee. The Board shall adopt 12 13 rules regarding advance deposit wagering on interstate 14 simulcast races that shall reflect, among other things, the 15 General Assembly's desire to maximize revenues to the State, 16 horsemen purses, and organizational licensees. However, organization licensees providing live signals pursuant to the 17 18 requirements of this subsection (g) may petition the Board to 19 withhold their live signals from an advance deposit wagering 20 licensee if the organization licensee discovers and the Board finds reputable or credible information that the advance 21 22 deposit wagering licensee is under investigation by another 23 state or federal governmental agency, the advance deposit 24 wagering licensee's license has been suspended in another 25 state, or the advance deposit wagering licensee's license is in revocation proceedings in another state. The organization 26

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1 licensee's provision of their live signal to an advance deposit 2 wagering licensee under this subsection (g) pertains to wagers 3 placed from within Illinois. Advance deposit wagering 4 licensees may place advance deposit wagering terminals at 5 wagering facilities as a convenience to customers. The advance 6 deposit wagering licensee shall not charge or collect any fee from purses for the placement of the advance deposit wagering 7 terminals. The costs and expenses of the host track and 8 9 non-host licensees associated with interstate simulcast 10 wagering, other than the interstate commission fee, shall be 11 borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% 12 13 of Illinois handle on the interstate simulcast race or races 14 without prior approval of the Board. The Board shall promulgate 15 rules under which it may permit interstate commission fees in 16 excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, including, but not limited 17 to, satellite decoder fees, shall be uniformly applied to the 18 host track and all non-host licensees. 19

Notwithstanding any other provision of this Act, through December 31, <u>2020</u> 2018, an organization licensee, with the consent of the horsemen association representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, may maintain a system whereby advance deposit wagering may take place or an organization licensee, with the consent of the 10000SB3452ham002 -8- LRB100 20566 SMS 40612 a

1 horsemen association representing the largest number of owners, trainers, jockeys, or standardbred drivers who race 2 3 horses at that organization licensee's racing meeting, may 4 contract with another person to carry out a system of advance 5 deposit wagering. Such consent may not be unreasonably 6 withheld. Only with respect to an appeal to the Board that consent for an organization licensee that maintains its own 7 8 advance deposit wagering system is being unreasonably 9 withheld, the Board shall issue a final order within 30 days 10 after initiation of the appeal, and the organization licensee's 11 advance deposit wagering system may remain operational during that 30-day period. The actions of any organization licensee 12 13 who conducts advance deposit wagering or any person who has a 14 contract with an organization licensee to conduct advance 15 deposit wagering who conducts advance deposit wagering on or 16 after January 1, 2013 and prior to June 7, 2013 (the effective date of Public Act 98-18) taken in reliance on the changes made 17 to this subsection (g) by Public Act 98-18 are hereby 18 19 validated, provided payment of all applicable pari-mutuel 20 taxes are remitted to the Board. All advance deposit wagers 21 placed from within Illinois must be placed through a 22 Board-approved advance deposit wagering licensee; no other 23 entity may accept an advance deposit wager from a person within 24 Illinois. All advance deposit wagering is subject to any rules 25 adopted by the Board. The Board may adopt rules necessary to 26 regulate advance deposit wagering through the use of emergency

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rulemaking in accordance with Section 5-45 of the Illinois 1 2 Administrative Procedure Act. The General Assembly finds that 3 the adoption of rules to regulate advance deposit wagering is 4 deemed an emergency and necessary for the public interest, 5 safety, and welfare. An advance deposit wagering licensee may 6 retain all moneys as agreed to by contract with an organization licensee. Any moneys retained by the organization licensee from 7 advance deposit wagering, not including moneys retained by the 8 9 advance deposit wagering licensee, shall be paid 50% to the 10 organization licensee's purse account and 50% to the 11 organization licensee. With the exception of any organization licensee that is owned by a publicly traded company that is 12 13 incorporated in a state other than Illinois and advance deposit 14 wagering licensees under contract with such organization 15 licensees, organization licensees that maintain advance 16 deposit wagering systems and advance deposit wagering licensees that contract with organization licensees shall 17 provide sufficiently detailed monthly accountings to the 18 horsemen association representing the largest number of 19 20 owners, trainers, jockeys, or standardbred drivers who race 21 horses at that organization licensee's racing meeting so that 22 the horsemen association, as an interested party, can confirm 23 the accuracy of the amounts paid to the purse account at the 24 horsemen association's affiliated organization licensee from 25 advance deposit wagering. If more than one breed races at the 26 same race track facility, then the 50% of the moneys to be paid

1 to an organization licensee's purse account shall be allocated among all organization licensees' purse accounts operating at 2 3 that race track facility proportionately based on the actual 4 number of host days that the Board grants to that breed at that 5 race track facility in the current calendar year. To the extent any fees from advance deposit wagering conducted in Illinois 6 7 for wagers in Illinois or other states have been placed in 8 escrow or otherwise withheld from wagers pending а 9 determination of the legality of advance deposit wagering, no 10 action shall be brought to declare such wagers or the 11 disbursement of any fees previously escrowed illegal.

(1) Between the hours of 6:30 a.m. and 6:30 p.m. an 12 13 inter-track wagering licensee other than the host track may 14 supplement the host track simulcast program with 15 additional simulcast races or race programs, provided that 16 between January 1 and the third Friday in February of any inclusive, if 17 vear, no live thoroughbred racing is 18 in Illinois during this period, only occurring 19 thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a 20 21 supplemental interstate simulcast only if it finds that the 22 simulcast is clearly adverse to the integrity of racing. A 23 supplemental interstate simulcast may be transmitted from 24 inter-track wagering licensee to an its affiliated 25 non-host licensees. The interstate commission fee for a 26 supplemental interstate simulcast shall be paid by the

non-host licensee and its affiliated non-host licensees
 receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an 3 inter-track wagering licensee other than the host track may 4 5 receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that 6 the simulcast is clearly adverse to the integrity of 7 8 racing. Consent granted under this paragraph (2) to any 9 inter-track wagering licensee shall be deemed consent to 10 all non-host licensees. The interstate commission fee for 11 the supplemental interstate simulcast shall be paid by all 12 participating non-host licensees.

13 Each licensee conducting interstate simulcast (3) 14 wagering may retain, subject to the payment of all 15 applicable taxes and the purses, an amount not to exceed 16 17% of all money wagered. If any licensee conducts the 17 pari-mutuel system wagering on races conducted at 18 racetracks in another state or country, each such race or 19 race program shall be considered a separate racing day for 20 the purpose of determining the daily handle and computing 21 the privilege tax of that daily handle as provided in 22 subsection (a) of Section 27. Until January 1, 2000, from sums permitted to be retained pursuant to this 23 the 24 subsection, each inter-track wagering location licensee 25 shall pay 1% of the pari-mutuel handle wagered on simulcast 26 wagering to the Horse Racing Tax Allocation Fund, subject

to the provisions of subparagraph (B) of paragraph (11) of
 subsection (h) of Section 26 of this Act.

3 (4) A licensee who receives an interstate simulcast may combine its gross or net pools with pools at the sending 4 racetracks pursuant to rules established by the Board. All 5 licensees combining their gross pools at a sending 6 7 racetrack shall adopt the take-out percentages of the 8 sending racetrack. A licensee may also establish a separate 9 pool and takeout structure for wagering purposes on races 10 conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel wagers placed in other 11 12 states or countries to be combined with its gross or net wagering pools or other wagering pools. 13

14 (5) After the payment of the interstate commission fee 15 (except for the interstate commission fee on a supplemental interstate simulcast, which shall be paid by the host track 16 17 and by each non-host licensee through the host-track) and all applicable State and local taxes, except as provided in 18 19 subsection (g) of Section 27 of this Act, the remainder of 20 moneys retained from simulcast wagering pursuant to this 21 subsection (g), and Section 26.2 shall be divided as 22 follows:

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

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(B) For wagers placed on interstate simulcast

defined supplemental simulcasts 1 as in races, 2 subparagraphs (1) and (2), and separately pooled races 3 conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the 4 non-host licensee, and 50% to the purses at the host 5 6 track.

7 (6) Notwithstanding any provision in this Act to the 8 contrary, non-host licensees who derive their licenses 9 from a track located in a county with a population in 10 excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all 11 times subject to Board approval, which shall be withheld 12 13 only upon a finding that a supplemental interstate 14 simulcast is clearly adverse to the integrity of racing.

15 (7) Notwithstanding any provision of this Act to the contrary, after payment of all applicable State and local 16 taxes and interstate commission fees, non-host licensees 17 who derive their licenses from a track located in a county 18 19 with a population in excess of 230,000 and that borders the 20 Mississippi River shall retain 50% of the retention from 21 interstate simulcast wagers and shall pay 50% to purses at 22 the track from which the non-host licensee derives its 23 license as follows:

(A) Between January 1 and the third Friday in
 February, inclusive, if no live thoroughbred racing is
 occurring in Illinois during this period, when the

interstate simulcast is a standardbred race, the purse share to its standardbred purse account;

3 (B) Between January 1 and the third Friday in 4 February, inclusive, if no live thoroughbred racing is 5 occurring in Illinois during this period, and the 6 interstate simulcast is a thoroughbred race, the purse 7 share to its interstate simulcast purse pool to be 8 distributed under paragraph (10) of this subsection 9 (g);

10 (C) Between January 1 and the third Friday in February, inclusive, if live thoroughbred racing is 11 12 occurring in Illinois, between 6:30 a.m. and 6:30 p.m. 13 the purse share from wagers made during this time 14 period to its thoroughbred purse account and between 15 6:30 p.m. and 6:30 a.m. the purse share from wagers made during this time period to its standardbred purse 16 17 accounts;

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

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

26 (7.1) Notwithstanding any other provision of this Act

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

8 (A) If the licensee that conducts horse racing at 9 that racetrack requests from the Board at least as many 10 racing dates as were conducted in calendar year 2000, 11 80% shall be paid to its thoroughbred purse account; 12 and

13 (B) Twenty percent shall be deposited into the 14 Illinois Colt Stakes Purse Distribution Fund and shall 15 be paid to purses for standardbred races for Illinois 16 conceived and foaled horses conducted at any county 17 fairgrounds. The moneys deposited into the Fund 18 pursuant to this subparagraph (B) shall be deposited 19 within 2 weeks after the day they were generated, shall 20 be in addition to and not in lieu of any other moneys 21 paid to standardbred purses under this Act, and shall 22 not be commingled with other moneys paid into that 23 Fund. The moneys deposited pursuant this to 24 subparagraph (B) shall be allocated as provided by the 25 Department of Agriculture, with the advice and 26 assistance of the Illinois Standardbred Breeders Fund

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Advisory Board.

(7.2) Notwithstanding any other provision of this Act 2 3 to the contrary, if no thoroughbred racing is conducted at a racetrack located in Madison County during any calendar 4 year beginning on or after January 1, 2002, all moneys 5 derived by that racetrack from simulcast wagering and 6 7 inter-track wagering that (1) are to be used for purses and 8 (2) are generated between the hours of 6:30 a.m. and 6:309 p.m. during that calendar year shall be deposited as 10 follows:

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

16 (B) Twenty percent shall be deposited into the 17 Illinois Colt Stakes Purse Distribution Fund. Moneys deposited into the Illinois Colt Stakes 18 Purse 19 Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled 20 21 thoroughbred breeders' programs and to thoroughbred 22 purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at the 23 24 discretion of the Department of Agriculture, with the 25 advice and assistance of the Illinois Thoroughbred 26 Breeders Fund Advisory Board. The moneys deposited 10000SB3452ham002

into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.

8 (7.3) If no live standardbred racing is conducted at a 9 racetrack located in Madison County in calendar year 2000 10 or 2001, an organization licensee who is licensed to conduct horse racing at that racetrack shall, before 11 January 1, 2002, pay all moneys derived from simulcast 12 13 wagering and inter-track wagering in calendar years 2000 14 and 2001 and paid into the licensee's standardbred purse 15 account as follows:

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

18 (B) Twenty percent to the Illinois Colt Stakes19 Purse Distribution Fund.

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

25 Moneys paid into the Illinois Colt Stakes Purse 26 Distribution Fund pursuant to this paragraph (7.3) shall be 10000SB3452ham002 -18- LRB100 20566 SMS 40612 a

paid to purses for standardbred races for Illinois 1 2 conceived and foaled horses conducted at any county 3 fairgrounds. Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) 4 5 used as determined by the Department of shall be Agriculture, with the advice and assistance of the Illinois 6 7 Standardbred Breeders Fund Advisory Board, shall be in 8 addition to and not in lieu of any other moneys paid to 9 standardbred purses under this Act, and shall not be 10 commingled with any other moneys paid into that Fund.

(7.4) If live standardbred racing is conducted at a 11 12 racetrack located in Madison County at any time in calendar 13 year 2001 before the payment required under paragraph (7.3) 14 has been made, the organization licensee who is licensed to 15 conduct racing at that racetrack shall pay all moneys derived by that racetrack from simulcast wagering and 16 17 inter-track wagering during calendar years 2000 and 2001 that (1) are to be used for purses and (2) are generated 18 19 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 20 2001 to the standardbred purse account at that racetrack to 21 be used for standardbred purses.

(8) Notwithstanding any provision in this Act to the
contrary, an organization licensee from a track located in
a county with a population in excess of 230,000 and that
borders the Mississippi River and its affiliated non-host
licensees shall not be entitled to share in any retention

generated on racing, inter-track wagering, or simulcast
 wagering at any other Illinois wagering facility.

3 (8.1) Notwithstanding any provisions in this Act to the contrary, if 2 organization licensees are conducting 4 5 standardbred race meetings concurrently between the hours of 6:30 p.m. and 6:30 a.m., after payment of all applicable 6 State and local taxes and interstate commission fees, the 7 8 remainder of the amount retained from simulcast wagering 9 otherwise attributable to the host track and to host track 10 purses shall be split daily between the 2 organization 11 licensees and the purses at the tracks of the 2 12 organization licensees, respectively, based on each 13 organization licensee's share of the total live handle for 14 that day, provided that this provision shall not apply to 15 any non-host licensee that derives its license from a track 16 located in a county with a population in excess of 230,000 and that borders the Mississippi River. 17

- 18 (9) (Blank).
- 19 (10) (Blank).
- 20 (11) (Blank).

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

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(13) Notwithstanding any other provision of this Act,

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1 in the event that the total Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in any 2 calendar year is less than 75% of the total Illinois 3 pari-mutuel handle on Illinois horse races at all such 4 5 wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois 6 7 pari-mutuel handle on Illinois horse races that is less 8 than 75% of the total Illinois pari-mutuel handle on 9 Illinois horse races at such wagering facility for calendar 10 year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track 11 with which the wagering facility is affiliated in the 12 succeeding calendar year, an amount equal to 2% of the 13 14 differential in total Illinois pari-mutuel handle on 15 Illinois horse races at the wagering facility between that 16 calendar year in question and 1994 provided, however, that 17 a wagering facility shall not be entitled to any such 18 payment until the Board certifies in writing to the 19 wagering facility the amount to which the wagering facility 20 is entitled and a schedule for payment of the amount to the 21 wagering facility, based on: (i) the racing dates awarded 22 to the race track affiliated with the wagering facility 23 during the succeeding year; (ii) the sums available or 24 anticipated to be available in the purse account of the 25 race track affiliated with the wagering facility for purses 26 during the succeeding year; and (iii) the need to ensure

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reasonable purse levels during the payment period. The 1 Board's certification shall be provided no later than 2 3 January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is 4 5 affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount 6 7 to be paid to the wagering facility shall be divided 8 between each purse account pro rata, based on the amount of 9 Illinois handle on Illinois standardbred and thoroughbred 10 racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly 11 12 shall appropriate sufficient funds from the General 13 Revenue Fund to the Department of Agriculture for payment 14 into the thoroughbred and standardbred horse racing purse 15 accounts at Illinois pari-mutuel tracks. The amount paid to each purse account shall be the amount certified by the 16 17 Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance 18 with the provisions of this Section. 19

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

(1) Any person licensed to conduct a race meeting (i)
 at a track where 60 or more days of racing were conducted
 during the immediately preceding calendar year or where

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over the 5 immediately preceding calendar years an average 1 of 30 or more days of racing were conducted annually may be 2 3 issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi 4 River, which has a population of less than 150,000 5 according to the 1990 decennial census, and an average of 6 7 at least 60 days of racing per year between 1985 and 1993 8 may be issued an inter-track wagering license; or (iii) at 9 a track located in Madison County that conducted at least 10 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering 11 12 license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other 13 14 acts of God; (B) an agreement between the organization licensee and the associations representing the largest 15 number of owners, trainers, jockeys, or standardbred 16 17 drivers who race horses at that organization licensee's (C) a finding by the Board of 18 racing meeting; or 19 extraordinary circumstances and that it was in the best 20 interest of the public and the sport to conduct fewer than 21 100 days of live racing. Any such person having operating 22 control of the racing facility may receive inter-track wagering location licenses. An eligible race track located 23 24 in a county that has a population of more than 230,000 and 25 that is bounded by the Mississippi River may establish up to 9 inter-track wagering locations, an eligible race track 26

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located in Stickney Township in Cook County may establish 1 up to 16 inter-track wagering locations, and an eligible 2 3 race track located in Palatine Township in Cook County may 4 establish up to 18 inter-track wagering locations. An 5 application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an 6 7 application for an inter-track wagering location license 8 there shall be delivered to the Board a certified check or 9 bank draft payable to the order of the Board for an amount 10 equal to \$500. The application shall be on forms prescribed 11 and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by 12 13 the Board in connection therewith.

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14 (2) The Board shall examine the applications with 15 respect to their conformity with this Act and the rules and 16 regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the 17 18 Board, the Board may then issue a license to conduct 19 inter-track wagering and simulcast wagering to such 20 applicant. All such applications shall be acted upon by the 21 Board at a meeting to be held on such date as may be fixed 22 by the Board.

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

(4) Prior to the issuance of a license to conduct 1 2 inter-track wagering and simulcast wagering, the applicant 3 shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the applicant 4 and a surety company or companies authorized to do business 5 in this State, and conditioned upon (i) the payment by the 6 licensee of all taxes due under Section 27 or 27.1 and any 7 8 other monies due and payable under this Act, and (ii) 9 distribution by the licensee, upon presentation of the 10 winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools. 11

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12 (5) Each license to conduct inter-track wagering and 13 simulcast wagering shall specify the person to whom it is 14 issued, the dates on which such wagering is permitted, and 15 the track or location where the wagering is to be 16 conducted.

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

21 (7) An inter-track wagering licensee or inter-track 22 wagering location licensee may accept wagers at the track 23 or location where it is licensed, or as otherwise provided 24 under this Act.

(8) Inter-track wagering or simulcast wagering shall
 not be conducted at any track less than 5 miles from a

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track at which a racing meeting is in progress.

2 (8.1) Inter-track wagering location licensees who 3 derive their licenses from a particular organization licensee shall conduct inter-track wagering and simulcast 4 5 wagering only at locations that are within 160 miles of that race track where the particular organization licensee 6 licensed to conduct racing. However, inter-track 7 is 8 wagering and simulcast wagering shall not be conducted by 9 those licensees at any location within 5 miles of any race 10 track at which a horse race meeting has been licensed in the current year, unless the person having operating 11 12 control of such race track has given its written consent to 13 inter-track wagering location licensees, which such 14 consent must be filed with the Board at or prior to the 15 time application is made. In the case of any inter-track 16 wagering location licensee initially licensed after December 31, 2013, inter-track wagering and simulcast 17 18 wagering shall not be conducted by those inter-track wagering location licensees that are located outside the 19 20 City of Chicago at any location within 8 miles of any race 21 track at which a horse race meeting has been licensed in 22 the current year, unless the person having operating 23 control of such race track has given its written consent to 24 inter-track wagering location licensees, such which 25 consent must be filed with the Board at or prior to the 26 time application is made.

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

inter-track wagering location within the jurisdiction of 1 any local zoning authority which has, by ordinance or by 2 3 resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, 4 5 inter-track wagering and simulcast wagering may be conducted at a site if such ordinance or resolution is 6 7 enacted after the Board licenses the original inter-track 8 wagering location licensee for the site in question.

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(9) (Blank).

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wagering licensee 10 inter-track (10)An or an inter-track wagering location licensee may retain, subject 11 12 to the payment of the privilege taxes and the purses, an 13 amount not to exceed 17% of all money wagered. Each program 14 of racing conducted by each inter-track wagering licensee 15 inter-track wagering location licensee shall be or considered a separate racing day for the purpose of 16 17 determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle as provided in 18 Section 27. 19

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

4 (10.2) Notwithstanding any other provision of this 5 Act, with respect to inter-track wagering at a race track located in a county that has a population of more than 6 230,000 and that is bounded by the Mississippi River ("the 7 8 first race track"), or at a facility operated by an 9 inter-track wagering licensee or inter-track wagering 10 location licensee that derives its license from the organization licensee that operates the first race track, 11 on races conducted at the first race track or on races 12 13 conducted at another Illinois race track and 14 simultaneously televised to the first race track or to a 15 facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its 16 17 license from the organization licensee that operates the 18 first race track, those moneys shall be allocated as 19 follows:

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

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

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thoroughbred races.

(11) (A) After payment of the privilege or pari-mutuel 2 3 tax, any other applicable taxes, and the costs and expenses in connection with the gathering, transmission, 4 and 5 dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained 6 under either Section 26 or Section 26.2 of this Act by the 7 8 inter-track wagering licensee on inter-track wagering 9 shall be allocated with 50% to be split between the 2 10 participating licensees and 50% to purses, except that an inter-track wagering licensee that derives its license 11 12 from a track located in a county with a population in 13 excess of 230,000 and that borders the Mississippi River 14 shall not divide any remaining retention with the Illinois 15 organization licensee that provides the race or races, and an inter-track wagering licensee that accepts wagers on 16 17 races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 18 230,000 and that borders the Mississippi River shall not 19 20 divide any remaining retention with that organization 21 licensee.

(B) From the sums permitted to be retained pursuant to
this Act each inter-track wagering location licensee shall
pay (i) the privilege or pari-mutuel tax to the State; (ii)
4.75% of the pari-mutuel handle on inter-track wagering at
such location on races as purses, except that an

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

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

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its wagering. The remainder of the monies retained by the 1 inter-track wagering location licensee shall be allocated 2 3 40% to the location licensee and 60% to the organization licensee which provides the Illinois races to the location, 4 5 except that an inter-track wagering location licensee that derives its license from a track located in a county with a 6 population in excess of 230,000 and that borders the 7 8 Mississippi River shall not divide any remaining retention 9 with the organization licensee that provides the race or 10 races and an inter-track wagering location licensee that accepts wagers on races conducted by an organization 11 licensee that conducts a race meet in a county with a 12 13 population in excess of 230,000 and that borders the 14 Mississippi River shall not divide any remaining retention 15 organization licensee. Notwithstanding the with the 16 provisions of clauses (ii) and (iv) of this paragraph, in 17 the case of the additional inter-track wagering location licenses authorized under paragraph (1) of this subsection 18 19 (h) by Public Act 87-110, those licensees shall pay the 20 following amounts as purses: during the first 12 months the 21 licensee is in operation, 5.25% of the pari-mutuel handle 22 wagered at the location on races; during the second 12 23 months, 5.25%; during the third 12 months, 5.75%; during 24 the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall be 25 26 retained by the licensee to satisfy all costs and expenses

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of conducting its wagering: during the first 12 months the 1 licensee is in operation, 8.25% of the pari-mutuel handle 2 3 wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 7.75%; during the fourth 4 5 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional inter-track wagering 6 7 location licensees authorized under Public Act 89-16, 8 purses for the first 12 months the licensee is in operation 9 shall be 5.75% of the pari-mutuel wagered at the location, 10 purses for the second 12 months the licensee is in operation shall be 6.25%, and purses thereafter shall be 11 6.75%. For additional inter-track location licensees 12 authorized under Public Act 89-16, the licensee shall be 13 14 allowed to retain to satisfy all costs and expenses: 7.75% 15 of the pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its second 16 12 months of operation, and 6.75% thereafter. 17

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

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1 but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state Indiana and (ii) has a 1990 population of 88,257 of according to the United States Bureau of the Census, and 1, 1994 shall be allocated by operating on May appropriation as follows:

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

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

18 Four-sevenths to park districts or municipalities 19 that do not have a park district of 500,000 population 20 or less for museum purposes (if an inter-track wagering 21 location licensee is located in such a park district) 22 or to conservation districts for museum purposes (if an 23 inter-track wagering location licensee is located in a 24 municipality that is not included within any park 25 district but is included within a conservation 26 district and is the county seat of a county that (i) is

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contiguous to the state of Indiana and (ii) has a 1990 1 population of 88,257 according to the United States 2 3 Bureau of the Census, except that if the conservation 4 district does not maintain a museum, the monies shall 5 be allocated equally between the county and the which the inter-track wagering 6 municipality in 7 location licensee is located for general purposes) or 8 to a municipal recreation board for park purposes (if 9 an inter-track wagering location licensee is located 10 in a municipality that is not included within any park 11 district and park maintenance is the function of the municipal recreation board and the municipality has a 12 13 1990 population of 9,302 according to the United States 14 Bureau of the Census); provided that the monies are 15 distributed to each park district or conservation 16 district or municipality that does not have a park 17 district in an amount equal to four-sevenths of the 18 amount collected by each inter-track wagering location 19 licensee within the park district or conservation 20 district or municipality for the Fund. Monies that were 21 paid into the Horse Racing Tax Allocation Fund before 22 August 9, 1991 (the effective date of Public Act 23 87-110) by an inter-track wagering location licensee 24 located in a municipality that is not included within 25 any park district but is included within a conservation 26 district as provided in this paragraph shall, as soon

as practicable after August 9, 1991 (the effective date 1 of Public Act 87-110), be allocated and paid to that 2 3 conservation district as provided in this paragraph. Any park district or municipality not maintaining a 4 5 museum may deposit the monies in the corporate fund of district or municipality where 6 the park the inter-track wagering location is located, to be used 7 8 for general purposes; and

9 One-seventh to the Agricultural Premium Fund to be 10 used for distribution to agricultural home economics 11 extension councils in accordance with "An Act in 12 relation to additional support and finances for the 13 Agricultural and Home Economic Extension Councils in 14 the several counties of this State and making an 15 appropriation therefor", approved July 24, 1967.

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

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

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

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two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

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

10 One-seventh to the Agricultural Premium Fund to be 11 used for distribution to agricultural home economics extension councils in accordance with "An Act in 12 13 relation to additional support and finances for the 14 Agricultural and Home Economic Extension Councils in 15 the several counties of this State and making an 16 appropriation therefor", approved July 24, 1967. This 17 subparagraph (C) shall be inoperative and of no force 18 and effect on and after January 1, 2000.

(D) Except as provided in paragraph (11) of this
subsection (h), with respect to purse allocation from
inter-track wagering, the monies so retained shall be
divided as follows:

(i) If the inter-track wagering licensee,
except an inter-track wagering licensee that
derives its license from an organization licensee
located in a county with a population in excess of

1 230,000 and bounded by the Mississippi River, is 2 not conducting its own race meeting during the same 3 dates, then the entire purse allocation shall be to 4 purses at the track where the races wagered on are 5 being conducted.

(ii) If the inter-track wagering licensee, 6 7 except an inter-track wagering licensee that 8 derives its license from an organization licensee 9 located in a county with a population in excess of 10 230,000 and bounded by the Mississippi River, is 11 also conducting its own race meeting during the 12 same dates, then the purse allocation shall be as 13 follows: 50% to purses at the track where the races 14 wagered on are being conducted; 50% to purses at 15 the track where the inter-track wagering licensee 16 is accepting such wagers.

17 (iii) If the inter-track wagering is being 18 conducted by an inter-track wagering location 19 licensee, except an inter-track wagering location 20 licensee that derives its license from an 21 organization licensee located in a county with a 22 population in excess of 230,000 and bounded by the 23 Mississippi River, the entire purse allocation for 24 Illinois races shall be to purses at the track 25 where the race meeting being wagered on is being 26 held.

1 (12) The Board shall have all powers necessary and 2 proper to fully supervise and control the conduct of 3 inter-track wagering and simulcast wagering by inter-track 4 wagering licensees and inter-track wagering location 5 licensees, including, but not limited to the following:

(A) The Board is vested with power to promulgate 6 7 reasonable rules and regulations for the purpose of 8 administering the conduct of this wagering and to 9 prescribe reasonable rules, regulations and conditions 10 under which such wagering shall be held and conducted. 11 Such rules and regulations are to provide for the prevention of practices detrimental to the public 12 13 interest and for the best interests of said wagering 14 and to impose penalties for violations thereof.

15 (B) The Board, and any person or persons to whom it 16 delegates this power, is vested with the power to enter 17 the facilities of any licensee to determine whether 18 there has been compliance with the provisions of this 19 Act and the rules and regulations relating to the 20 conduct of such wagering.

(C) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere 1

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with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.

(D) (Blank).

6 (E) The Board is vested with the power to appoint 7 delegates to execute any of the powers granted to it 8 under this Section for the purpose of administering 9 this wagering and any rules and regulations 10 promulgated in accordance with this Act.

11 (F) The Board shall name and appoint a State 12 director of this wagering who shall be a representative 13 of the Board and whose duty it shall be to supervise 14 the conduct of inter-track wagering as may be provided 15 for by the rules and regulations of the Board; such 16 rules and regulation shall specify the method of 17 appointment and the Director's powers, authority and 18 duties.

19 (G) The Board is vested with the power to impose 20 civil penalties of up to \$5,000 against individuals and 21 up to \$10,000 against licensees for each violation of 22 any provision of this Act relating to the conduct of 23 this wagering, any rules adopted by the Board, any 24 order of the Board or any other action which in the 25 Board's discretion, is a detriment or impediment to 26 such wagering.

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(13) The Department of Agriculture may enter into 1 agreements with licensees authorizing such licensees to 2 3 conduct inter-track wagering on races to be held at the 4 licensed race meetings conducted by the Department of 5 Agriculture. Such agreement shall specify the races of the Department of Agriculture's licensed race meeting upon 6 7 which the licensees will conduct wagering. In the event 8 that a licensee conducts inter-track pari-mutuel wagering 9 on races from the Illinois State Fair or DuQuoin State Fair 10 which are in addition to the licensee's previously approved 11 racing program, those races shall be considered a separate 12 racing day for the purpose of determining the daily handle 13 and computing the privilege or pari-mutuel tax on that 14 daily handle as provided in Sections 27 and 27.1. Such 15 agreements shall be approved by the Board before such 16 wagering may be conducted. In determining whether to grant 17 approval, the Board shall give due consideration to the 18 best interests of the public and of horse racing. The 19 provisions of paragraphs (1), (8), (8.1), and (8.2) of 20 subsection (h) of this Section which are not specified in 21 this paragraph (13) shall not apply to licensed race 22 meetings conducted by the Department of Agriculture at the 23 Illinois State Fair in Sangamon County or the DuQuoin State Fair in Perry County, or to any wagering conducted on those 24 25 race meetings.

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(14) An inter-track wagering location license

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1 authorized by the Board in 2016 that is owned and operated by a race track in Rock Island County shall be transferred 2 3 to a commonly owned race track in Cook County on August 12, 4 2016 (the effective date of Public Act 99-757). The 5 licensee shall retain its status in relation to purse distribution under paragraph (11) of this subsection (h) 6 following the transfer to the new entity. The pari-mutuel 7 8 tax credit under Section 32.1 shall not be applied toward 9 any pari-mutuel tax obligation of the inter-track wagering 10 location licensee of the license that is transferred under 11 this paragraph (14).

12 (i) Notwithstanding the other provisions of this Act, the 13 conduct of wagering at wagering facilities is authorized on all 14 days, except as limited by subsection (b) of Section 19 of this 15 Act.

16 (Source: P.A. 99-756, eff. 8-12-16; 99-757, eff. 8-12-16; 17 100-201, eff. 8-18-17.)

18 (230 ILCS 5/26.8)

Sec. 26.8. Beginning on February 1, 2014 and through December 31, <u>2020</u> 2018, each wagering licensee may impose a surcharge of up to 0.5% on winning wagers and winnings from wagers. The surcharge shall be deducted from winnings prior to payout. All amounts collected from the imposition of this surcharge shall be evenly distributed to the organization licensee and the purse account of the organization licensee 10000SB3452ham002 -45- LRB100 20566 SMS 40612 a

with which the licensee is affiliated. The amounts distributed under this Section shall be in addition to the amounts paid pursuant to paragraph (10) of subsection (h) of Section 26, Section 26.3, Section 26.4, Section 26.5, and Section 26.7. (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

6 (230 ILCS 5/26.9)

Sec. 26.9. Beginning on February 1, 2014 and through 7 December 31, 2020 2018, in addition to the surcharge imposed in 8 9 Sections 26.3, 26.4, 26.5, 26.7, and 26.8 of this Act, each 10 licensee shall impose a surcharge of 0.2% on winning wagers and winnings from wagers. The surcharge shall be deducted from 11 12 winnings prior to payout. All amounts collected from the surcharges imposed under this Section shall be remitted to the 13 14 Board. From amounts collected under this Section, the Board 15 shall deposit an amount not to exceed \$100,000 annually into the Quarter Horse Purse Fund and all remaining amounts into the 16 17 Horse Racing Fund.

18 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

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(230 ILCS 5/27) (from Ch. 8, par. 37-27)

Sec. 27. (a) In addition to the organization license fee provided by this Act, until January 1, 2000, a graduated privilege tax is hereby imposed for conducting the pari-mutuel system of wagering permitted under this Act. Until January 1, 2000, except as provided in subsection (g) of Section 27 of 10000SB3452ham002 -46- LRB100 20566 SMS 40612 a

1 this Act, all of the breakage of each racing day held by any licensee in the State shall be paid to the State. Until January 2 1, 2000, such daily graduated privilege tax shall be paid by 3 4 the licensee from the amount permitted to be retained under 5 this Act. Until January 1, 2000, each day's graduated privilege 6 tax, breakage, and Horse Racing Tax Allocation funds shall be remitted to the Department of Revenue within 48 hours after the 7 8 close of the racing day upon which it is assessed or within such other time as the Board prescribes. The privilege tax 9 10 hereby imposed, until January 1, 2000, shall be a flat tax at 11 the rate of 2% of the daily pari-mutuel handle except as provided in Section 27.1. 12

13 In addition, every organization licensee, except as provided in Section 27.1 of this Act, which conducts multiple 14 15 wagering shall pay, until January 1, 2000, as a privilege tax 16 on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional 17 amount equal to 3.5% of the amount wagered each day on any 18 other multiple wager which involves a single betting interest 19 20 on 3 or more horses. The licensee shall remit the amount of 21 such taxes to the Department of Revenue within 48 hours after 22 the close of the racing day on which it is assessed or within 23 such other time as the Board prescribes.

This subsection (a) shall be inoperative and of no force and effect on and after January 1, 2000.

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(a-5) Beginning on January 1, 2000, a flat pari-mutuel tax

1 at the rate of 1.5% of the daily pari-mutuel handle is imposed at all pari-mutuel wagering facilities and on advance deposit 2 3 wagering from a location other than a wagering facility, except 4 as otherwise provided for in this subsection (a-5). In addition 5 to the pari-mutuel tax imposed on advance deposit wagering pursuant to this subsection (a-5), beginning on August 24, 2012 6 (the effective date of Public Act 97-1060) and through December 7 8 31, 2020 2018, an additional pari-mutuel tax at the rate of 9 0.25% shall be imposed on advance deposit wagering. Until 10 August 25, 2012, the additional 0.25% pari-mutuel tax imposed 11 on advance deposit wagering by Public Act 96-972 shall be deposited into the Quarter Horse Purse Fund, which shall be 12 13 created as a non-appropriated trust fund administered by the 14 Board for grants to thoroughbred organization licensees for 15 payment of purses for quarter horse races conducted by the 16 organization licensee. Beginning on August 26, 2012, the additional 0.25% pari-mutuel tax imposed on advance deposit 17 18 wagering shall be deposited into the Standardbred Purse Fund, 19 which shall be created as a non-appropriated trust fund 20 administered by the Board, for grants to the standardbred organization licensees for payment of purses for standardbred 21 22 horse races conducted by the organization licensee. 23 Thoroughbred organization licensees may petition the Board to 24 conduct guarter horse racing and receive purse grants from the 25 Quarter Horse Purse Fund. The Board shall have complete 26 discretion in distributing the Quarter Horse Purse Fund to the

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1 petitioning organization licensees. Beginning on July 26, 2010 (the effective date of Public Act 96-1287), a pari-mutuel tax 2 at the rate of 0.75% of the daily pari-mutuel handle is imposed 3 4 at a pari-mutuel facility whose license is derived from a track 5 located in a county that borders the Mississippi River and 6 conducted live racing in the previous year. The pari-mutuel tax imposed by this subsection (a-5) shall be remitted to the 7 Department of Revenue within 48 hours after the close of the 8 9 racing day upon which it is assessed or within such other time 10 as the Board prescribes.

(b) On or before December 31, 1999, in the event that any organization licensee conducts 2 separate programs of races on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the privilege tax on such daily handle as provided in subsection (a) of this Section.

(c) Licensees shall at all times keep accurate books and 17 18 records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under the 19 20 provisions of this Section. The Board or its duly authorized representative or representatives shall at all reasonable 21 22 times have access to such records for the purpose of examining 23 and checking the same and ascertaining whether the proper 24 amount of taxes is being paid as provided. The Board shall 25 require verified reports and a statement of the total of all 26 monies wagered daily at each wagering facility upon which the

1 taxes are assessed and may prescribe forms upon which such 2 reports and statement shall be made.

3 (d) Any licensee failing or refusing to pay the amount of 4 any tax due under this Section shall be quilty of a business 5 offense and upon conviction shall be fined not more than \$5,000 in addition to the amount found due as tax under this Section. 6 Each day's violation shall constitute a separate offense. All 7 8 fines paid into Court by a licensee hereunder shall be 9 transmitted and paid over by the Clerk of the Court to the 10 Board.

(e) No other license fee, privilege tax, excise tax, or racing fee, except as provided in this Act, shall be assessed or collected from any such licensee by the State.

14 (f) No other license fee, privilege tax, excise tax or 15 racing fee shall be assessed or collected from any such 16 licensee by units of local government except as provided in paragraph 10.1 of subsection (h) and subsection (f) of Section 17 26 of this Act. However, any municipality that has a Board 18 licensed horse race meeting at a race track wholly within its 19 20 corporate boundaries or a township that has a Board licensed horse race meeting at a race track wholly within the 21 22 unincorporated area of the township may charge a local 23 amusement tax not to exceed 10¢ per admission to such horse 24 race meeting by the enactment of an ordinance. However, any 25 municipality or county that has a Board licensed inter-track 26 wagering location facility wholly within its corporate

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1 boundaries may each impose an admission fee not to exceed \$1.00 per admission to such inter-track wagering location facility, 2 3 so that a total of not more than \$2.00 per admission may be 4 imposed. Except as provided in subparagraph (g) of Section 27 5 of this Act, the inter-track wagering location licensee shall collect any and all such fees and within 48 hours remit the 6 fees to the Board, which shall, pursuant to rule, cause the 7 8 fees to be distributed to the county or municipality.

(g) Notwithstanding any provision in this Act to the 9 10 contrary, if in any calendar year the total taxes and fees 11 required to be collected from licensees and distributed under this Act to all State and local governmental authorities 12 13 exceeds the amount of such taxes and fees distributed to each 14 State and local governmental authority to which each State and 15 local governmental authority was entitled under this Act for 16 calendar year 1994, then the first \$11 million of that excess amount shall be allocated at the earliest possible date for 17 18 distribution as purse money for the succeeding calendar year. Upon reaching the 1994 level, and until the excess amount of 19 20 taxes and fees exceeds \$11 million, the Board shall direct all 21 licensees to cease paying the subject taxes and fees and the 22 Board shall direct all licensees to allocate any such excess 23 amount for purses as follows:

(i) the excess amount shall be initially divided
 between thoroughbred and standardbred purses based on the
 thoroughbred's and standardbred's respective percentages

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of total Illinois live wagering in calendar year 1994; 1 (ii) each thoroughbred and standardbred organization 2 3 licensee issued an organization licensee in that succeeding allocation year shall be allocated an amount 4 5 equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in calendar 6 7 year 1994 (the total to be determined based on the sum of 8 1994 on-track wagering for all organization licensees 9 issued organization licenses in both the allocation year 10 and the preceding year) multiplied by the total amount 11 allocated for standardbred or thoroughbred purses, provided that the first \$1,500,000 of the amount allocated 12 13 to standardbred purses under item (i) shall be allocated to 14 the Department of Agriculture to be expended with the 15 assistance and advice of the Illinois Standardbred Breeders Funds Advisory Board for the purposes listed in 16 subsection (g) of Section 31 of this Act, before the amount 17 18 allocated to standardbred purses under item (i) is 19 allocated to standardbred organization licensees in the 20 succeeding allocation year.

To the extent the excess amount of taxes and fees to be collected and distributed to State and local governmental authorities exceeds \$11 million, that excess amount shall be collected and distributed to State and local authorities as provided for under this Act.

26 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 99-756,

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1 eff. 8-12-16.)

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