

SB0571



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB0571

Introduced 2/18/2005, by Sen. Rickey R. Hendon

SYNOPSIS AS INTRODUCED:

230 ILCS 5/26
230 ILCS 5/26.2

from Ch. 8, par. 37-26
from Ch. 8, par. 37-26.2

Amends the Illinois Horse Racing Act of 1975. Makes changes concerning the collection and payment of certain purse moneys. Effective immediately.

LRB094 06452 AMC 36540 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT in relation to gambling.

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 Sections 26 and 26.2 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
24 licensee may retain, subject to the payment of all applicable
25 taxes and purses, an amount not to exceed 17% of all money
26 wagered under subsection (a) of this Section, except as may
27 otherwise be permitted under this Act.

28 (b-5) An individual may place a wager under the pari-mutuel
29 system from any licensed location authorized under this Act
30 provided that wager is electronically recorded in the manner
31 described in Section 3.12 of this Act. Any wager made
32 electronically by an individual while physically on the

1 premises of a licensee shall be deemed to have been made at the
2 premises of that licensee.

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

13 (c-5) Beginning January 1, 2000, the sum held by any
14 licensee for payment of outstanding pari-mutuel tickets, if
15 unclaimed prior to December 31 of the next year, shall be
16 retained by the licensee for payment of such tickets until that
17 date. Within 10 days thereafter, the balance of such sum
18 remaining unclaimed, less any uncashed supplements contributed
19 by such licensee for the purpose of guaranteeing minimum
20 distributions of any pari-mutuel pool, shall be evenly
21 distributed to the purse account of the organization licensee
22 and the organization licensee.

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

28 (e) No licensee shall knowingly permit any minor, other
29 than an employee of such licensee or an owner, trainer, jockey,
30 driver, or employee thereof, to be admitted during a racing
31 program unless accompanied by a parent or guardian, or any
32 minor to be a patron of the pari-mutuel system of wagering
33 conducted or supervised by it. The admission of any
34 unaccompanied minor, other than an employee of the licensee or
35 an owner, trainer, jockey, driver, or employee thereof at a
36 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
27 established by other states.

28 (g) A host track may accept interstate simulcast wagers on
29 horse races conducted in other states or countries and shall
30 control the number of signals and types of breeds of racing in
31 its simulcast program, subject to the disapproval of the Board.
32 The Board may prohibit a simulcast program only if it finds
33 that the simulcast program is clearly adverse to the integrity
34 of racing. The host track simulcast program shall include the
35 signal of live racing of all organization licensees. All
36 non-host licensees shall carry the host track simulcast program

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

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

32 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
33 intertrack wagering licensee other than the host track may
34 receive supplemental interstate simulcasts only with the
35 consent of the host track, except when the Board finds that
36 the simulcast is clearly adverse to the integrity of

1 racing. Consent granted under this paragraph (2) to any
2 intertrack wagering licensee shall be deemed consent to all
3 non-host licensees. The interstate commission fee for the
4 supplemental interstate simulcast shall be paid by all
5 participating non-host licensees.

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

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

33 (5) After the payment of the interstate commission fee
34 (except for the interstate commission fee on a supplemental
35 interstate simulcast, which shall be paid by the host track
36 and by each non-host licensee through the host-track) and

1 all applicable State and local taxes, except as provided in
2 subsection (g) of Section 27 of this Act, the remainder of
3 moneys retained from simulcast wagering pursuant to this
4 subsection (g), and Section 26.2 shall be divided as
5 follows:

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

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

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

24 (7) Notwithstanding any provision of this Act to the
25 contrary, after payment of all applicable State and local
26 taxes and interstate commission fees, non-host licensees
27 who derive their licenses from a track located in a county
28 with a population in excess of 230,000 and that borders the
29 Mississippi River shall retain 50% of the retention from
30 interstate simulcast wagers and shall pay 50% to purses at
31 the track from which the non-host licensee derives its
32 license as follows:

33 (A) Between January 1 and the third Friday in
34 February, inclusive, if no live thoroughbred racing is
35 occurring in Illinois during this period, when the
36 interstate simulcast is a standardbred race, the purse

1 share to its standardbred purse account;

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

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

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

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

25 (7.1) Notwithstanding any other provision of this Act
26 to the contrary, if no standardbred racing is conducted at
27 a racetrack located in Madison County during any calendar
28 year beginning on or after January 1, 2002, all moneys
29 derived by that racetrack from simulcast wagering and
30 inter-track wagering that (1) are to be used for purses and
31 (2) are generated between the hours of 6:30 p.m. and 6:30
32 a.m. during that calendar year shall be paid as follows:

33 (A) If the licensee that conducts horse racing at
34 that racetrack requests from the Board at least as many
35 racing dates as were conducted in calendar year 2000,
36 80% shall be paid to its thoroughbred purse account;

1 and

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

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

26 (A) If the licensee that conducts horse racing at
27 that racetrack requests from the Board at least as many
28 racing dates as were conducted in calendar year 2000,
29 80% shall be deposited into its standardbred purse
30 account; and

31 (B) Twenty percent shall be deposited into the
32 Illinois Colt Stakes Purse Distribution Fund. Moneys
33 deposited into the Illinois Colt Stakes Purse
34 Distribution Fund pursuant to this subparagraph (B)
35 shall be paid to Illinois conceived and foaled
36 thoroughbred breeders' programs and to thoroughbred

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

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

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

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

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

30 Moneys paid into the Illinois Colt Stakes Purse
31 Distribution Fund pursuant to this paragraph (7.3) shall be
32 paid to purses for standardbred races for Illinois
33 conceived and foaled horses conducted at any county
34 fairgrounds. Moneys paid into the Illinois Colt Stakes
35 Purse Distribution Fund pursuant to this paragraph (7.3)
36 shall be used as determined by the Department of

1 Agriculture, with the advice and assistance of the Illinois
2 Standardbred Breeders Fund Advisory Board, shall be in
3 addition to and not in lieu of any other moneys paid to
4 standardbred purses under this Act, and shall not be
5 commingled with any other moneys paid into that Fund.

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

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

24 (8.1) Notwithstanding any provisions in this Act to the
25 contrary, if 2 organization licensees are conducting
26 standardbred race meetings concurrently between the hours
27 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
28 State and local taxes and interstate commission fees, the
29 remainder of the amount retained from simulcast wagering
30 otherwise attributable to the host track and to host track
31 purses shall be split daily between the 2 organization
32 licensees and the purses at the tracks of the 2
33 organization licensees, respectively, based on each
34 organization licensee's share of the total live handle for
35 that day, provided that this provision shall not apply to
36 any non-host licensee that derives its license from a track

1 located in a county with a population in excess of 230,000
2 and that borders the Mississippi River.

3 (9) (Blank).

4 (10) (Blank).

5 (11) (Blank).

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

11 (13) Notwithstanding any other provision of this Act,
12 in the event that the total Illinois pari-mutuel handle on
13 Illinois horse races at all wagering facilities in any
14 calendar year is less than 75% of the total Illinois
15 pari-mutuel handle on Illinois horse races at all such
16 wagering facilities for calendar year 1994, then each
17 wagering facility that has an annual total Illinois
18 pari-mutuel handle on Illinois horse races that is less
19 than 75% of the total Illinois pari-mutuel handle on
20 Illinois horse races at such wagering facility for calendar
21 year 1994, shall be permitted to receive, from any amount
22 otherwise payable to the purse account at the race track
23 with which the wagering facility is affiliated in the
24 succeeding calendar year, an amount equal to 2% of the
25 differential in total Illinois pari-mutuel handle on
26 Illinois horse races at the wagering facility between that
27 calendar year in question and 1994 provided, however, that
28 a wagering facility shall not be entitled to any such
29 payment until the Board certifies in writing to the
30 wagering facility the amount to which the wagering facility
31 is entitled and a schedule for payment of the amount to the
32 wagering facility, based on: (i) the racing dates awarded
33 to the race track affiliated with the wagering facility
34 during the succeeding year; (ii) the sums available or
35 anticipated to be available in the purse account of the
36 race track affiliated with the wagering facility for purses

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

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

25 (1) Any person licensed to conduct a race meeting (i)
26 at a track where 60 or more days of racing were conducted
27 during the immediately preceding calendar year or where
28 over the 5 immediately preceding calendar years an average
29 of 30 or more days of racing were conducted annually may be
30 issued an inter-track wagering license; (ii) at a track
31 located in a county that is bounded by the Mississippi
32 River, which has a population of less than 150,000
33 according to the 1990 decennial census, and an average of
34 at least 60 days of racing per year between 1985 and 1993
35 may be issued an inter-track wagering license; or (iii) at
36 a track located in Madison County that conducted at least

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

29 (2) The Board shall examine the applications with
30 respect to their conformity with this Act and the rules and
31 regulations imposed by the Board. If found to be in
32 compliance with the Act and rules and regulations of the
33 Board, the Board may then issue a license to conduct
34 inter-track wagering and simulcast wagering to such
35 applicant. All such applications shall be acted upon by the
36 Board at a meeting to be held on such date as may be fixed

1 by the Board.

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

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

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

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

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

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

33 (8.1) Inter-track wagering location licensees who
34 derive their licenses from a particular organization
35 licensee shall conduct inter-track wagering and simulcast
36 wagering only at locations which are either within 90 miles

1 of that race track where the particular organization
2 licensee is licensed to conduct racing, or within 135 miles
3 of that race track where the particular organization
4 licensee is licensed to conduct racing in the case of race
5 tracks in counties of less than 400,000 that were operating
6 on or before June 1, 1986. However, inter-track wagering
7 and simulcast wagering shall not be conducted by those
8 licensees at any location within 5 miles of any race track
9 at which a horse race meeting has been licensed in the
10 current year, unless the person having operating control of
11 such race track has given its written consent to such
12 inter-track wagering location licensees, which consent
13 must be filed with the Board at or prior to the time
14 application is made.

15 (8.2) Inter-track wagering or simulcast wagering shall
16 not be conducted by an inter-track wagering location
17 licensee at any location within 500 feet of an existing
18 church or existing school, nor within 500 feet of the
19 residences of more than 50 registered voters without
20 receiving written permission from a majority of the
21 registered voters at such residences. Such written
22 permission statements shall be filed with the Board. The
23 distance of 500 feet shall be measured to the nearest part
24 of any building used for worship services, education
25 programs, residential purposes, or conducting inter-track
26 wagering by an inter-track wagering location licensee, and
27 not to property boundaries. However, inter-track wagering
28 or simulcast wagering may be conducted at a site within 500
29 feet of a church, school or residences of 50 or more
30 registered voters if such church, school or residences have
31 been erected or established, or such voters have been
32 registered, after the Board issues the original
33 inter-track wagering location license at the site in
34 question. Inter-track wagering location licensees may
35 conduct inter-track wagering and simulcast wagering only
36 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
27 the municipality in which such location is situated and 1%
28 of the pari-mutuel handle at each location to the county in
29 which such location is situated. In the event that an
30 inter-track wagering location licensee is situated in an
31 unincorporated area of a county, such licensee shall pay 2%
32 of the pari-mutuel handle from such location to such
33 county.

34 (10.2) Notwithstanding any other provision of this
35 Act, with respect to intertrack wagering at a race track
36 located in a county that has a population of more than

1 230,000 and that is bounded by the Mississippi River ("the
2 first race track"), or at a facility operated by an
3 inter-track wagering licensee or inter-track wagering
4 location licensee that derives its license from the
5 organization licensee that operates the first race track,
6 on races conducted at the first race track or on races
7 conducted at another Illinois race track and
8 simultaneously televised to the first race track or to a
9 facility operated by an inter-track wagering licensee or
10 inter-track wagering location licensee that derives its
11 license from the organization licensee that operates the
12 first race track, those moneys shall be allocated as
13 follows:

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

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

22 (11) (A) After payment of the privilege or pari-mutuel
23 tax, any other applicable taxes, and the costs and expenses
24 in connection with the gathering, transmission, and
25 dissemination of all data necessary to the conduct of
26 inter-track wagering, the remainder of the monies retained
27 under either Section 26 or Section 26.2 of this Act by the
28 inter-track wagering licensee on inter-track wagering
29 shall be allocated with 50% to be split between the 2
30 participating licensees and 50% to purses, except that an
31 intertrack wagering licensee that derives its license from
32 a track located in a county with a population in excess of
33 230,000 and that borders the Mississippi River shall not
34 divide any remaining retention with the Illinois
35 organization licensee that provides the race or races, and
36 an intertrack wagering licensee that accepts wagers on

1 races conducted by an organization licensee that conducts a
2 race meet in a county with a population in excess of
3 230,000 and that borders the Mississippi River shall not
4 divide any remaining retention with that organization
5 licensee.

6 (B) From the sums permitted to be retained pursuant to
7 paragraph (10) of this subsection (h), ~~this Act~~ each
8 inter-track wagering location licensee shall pay (i) the
9 privilege or pari-mutuel tax to the State; (ii) 6.75% ~~4.75%~~
10 of the pari-mutuel handle on intertrack wagering at such
11 location on races as purses, except that an intertrack
12 wagering location licensee that derives its license from a
13 track located in a county with a population in excess of
14 230,000 and that borders the Mississippi River shall retain
15 all purse moneys for its own purse account consistent with
16 distribution set forth in this subsection (h), and
17 intertrack wagering location licensees that accept wagers
18 on races conducted by an organization licensee located in a
19 county with a population in excess of 230,000 and that
20 borders the Mississippi River shall distribute all purse
21 moneys to purses at the operating host track; (iii) until
22 January 1, 2000, except as provided in subsection (g) of
23 Section 27 of this Act, 1% of the pari-mutuel handle
24 wagered on inter-track wagering and simulcast wagering at
25 each inter-track wagering location licensee facility to
26 the Horse Racing Tax Allocation Fund, provided that, to the
27 extent the total amount collected and distributed to the
28 Horse Racing Tax Allocation Fund under this subsection (h)
29 during any calendar year exceeds the amount collected and
30 distributed to the Horse Racing Tax Allocation Fund during
31 calendar year 1994, that excess amount shall be
32 redistributed (I) to all inter-track wagering location
33 licensees, based on each licensee's pro-rata share of the
34 total handle from inter-track wagering and simulcast
35 wagering for all inter-track wagering location licensees
36 during the calendar year in which this provision is

1 applicable; then (II) the amounts redistributed to each
2 inter-track wagering location licensee as described in
3 subpart (I) shall be further redistributed as provided in
4 subparagraph (B) of paragraph (5) of subsection (g) of this
5 Section 26 provided first, that the shares of those
6 amounts, which are to be redistributed to the host track or
7 to purses at the host track under subparagraph (B) of
8 paragraph (5) of subsection (g) of this Section 26 shall be
9 redistributed based on each host track's pro rata share of
10 the total inter-track wagering and simulcast wagering
11 handle at all host tracks during the calendar year in
12 question, and second, that any amounts redistributed as
13 described in part (I) to an inter-track wagering location
14 licensee that accepts wagers on races conducted by an
15 organization licensee that conducts a race meet in a county
16 with a population in excess of 230,000 and that borders the
17 Mississippi River shall be further redistributed as
18 provided in subparagraphs (D) and (E) of paragraph (7) of
19 subsection (g) of this Section 26, with the portion of that
20 further redistribution allocated to purses at that
21 organization licensee to be divided between standardbred
22 purses and thoroughbred purses based on the amounts
23 otherwise allocated to purses at that organization
24 licensee during the calendar year in question; and (iv)
25 6.75% ~~8%~~ of the pari-mutuel handle on inter-track wagering
26 wagered at such location to satisfy all costs and expenses
27 of conducting its wagering. The remainder of the monies
28 retained by the inter-track wagering location licensee
29 shall be allocated 40% to the location licensee and 60% to
30 the organization licensee which provides the Illinois
31 races to the location, except that an intertrack wagering
32 location licensee that derives its license from a track
33 located in a county with a population in excess of 230,000
34 and that borders the Mississippi River shall not divide any
35 remaining retention with the organization licensee that
36 provides the race or races and an intertrack wagering

1 location licensee that accepts wagers on races conducted by
2 an organization licensee that conducts a race meet in a
3 county with a population in excess of 230,000 and that
4 borders the Mississippi River shall not divide any
5 remaining retention with the organization licensee.
6 Notwithstanding the provisions of clauses (ii) and (iv) of
7 this paragraph, in the case of the additional inter-track
8 wagering location licenses authorized under paragraph (1)
9 of this subsection (h) by this amendatory Act of 1991,
10 those licensees shall pay 6.75% of the pari-mutuel handle
11 ~~the following amounts as purses. : during the first 12~~
12 ~~months the licensee is in operation, 5.25% of the~~
13 ~~pari-mutuel handle wagered at the location on races; during~~
14 ~~the second 12 months, 5.25%; during the third 12 months,~~
15 ~~5.75%; during the fourth 12 months, 6.25%; and during the~~
16 ~~fifth 12 months and thereafter, 6.75%. The following~~
17 ~~amounts shall be retained by~~ The licensee shall retain
18 6.75% of the pari-mutuel handle to satisfy all costs and
19 expenses of conducting its wagering. ~~: during the first 12~~
20 ~~months the licensee is in operation, 8.25% of the~~
21 ~~pari-mutuel handle wagered at the location; during the~~
22 ~~second 12 months, 8.25%; during the third 12 months, 7.75%;~~
23 ~~during the fourth 12 months, 7.25%; and during the fifth 12~~
24 ~~months and thereafter, 6.75%. For additional intertrack~~
25 wagering location licensees authorized under this
26 amendatory Act of 1995, after all taxes are paid, of the
27 remainder, 50% shall be retained by the licensee and 50%
28 shall be paid to purses. ~~purses for the first 12 months the~~
29 ~~licensee is in operation shall be 5.75% of the pari mutuel~~
30 ~~wagered at the location, purses for the second 12 months~~
31 ~~the licensee is in operation shall be 6.25%, and purses~~
32 ~~thereafter shall be 6.75%. For additional intertrack~~
33 ~~location licensees authorized under this amendatory Act of~~
34 ~~1995, the licensee shall be allowed to retain to satisfy~~
35 ~~all costs and expenses: 7.75% of the pari-mutuel handle~~
36 ~~wagered at the location during its first 12 months of~~

1 ~~operation, 7.25% during its second 12 months of operation,~~
2 ~~and 6.75% thereafter.~~

3 (C) There is hereby created the Horse Racing Tax
4 Allocation Fund which shall remain in existence until
5 December 31, 1999. Moneys remaining in the Fund after
6 December 31, 1999 shall be paid into the General Revenue
7 Fund. Until January 1, 2000, all monies paid into the Horse
8 Racing Tax Allocation Fund pursuant to this paragraph (11)
9 by inter-track wagering location licensees located in park
10 districts of 500,000 population or less, or in a
11 municipality that is not included within any park district
12 but is included within a conservation district and is the
13 county seat of a county that (i) is contiguous to the state
14 of Indiana and (ii) has a 1990 population of 88,257
15 according to the United States Bureau of the Census, and
16 operating on May 1, 1994 shall be allocated by
17 appropriation as follows:

18 Two-sevenths to the Department of Agriculture.
19 Fifty percent of this two-sevenths shall be used to
20 promote the Illinois horse racing and breeding
21 industry, and shall be distributed by the Department of
22 Agriculture upon the advice of a 9-member committee
23 appointed by the Governor consisting of the following
24 members: the Director of Agriculture, who shall serve
25 as chairman; 2 representatives of organization
26 licensees conducting thoroughbred race meetings in
27 this State, recommended by those licensees; 2
28 representatives of organization licensees conducting
29 standardbred race meetings in this State, recommended
30 by those licensees; a representative of the Illinois
31 Thoroughbred Breeders and Owners Foundation,
32 recommended by that Foundation; a representative of
33 the Illinois Standardbred Owners and Breeders
34 Association, recommended by that Association; a
35 representative of the Horsemen's Benevolent and
36 Protective Association or any successor organization

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

19 Four-sevenths to park districts or municipalities
20 that do not have a park district of 500,000 population
21 or less for museum purposes (if an inter-track wagering
22 location licensee is located in such a park district)
23 or to conservation districts for museum purposes (if an
24 inter-track wagering location licensee is located in a
25 municipality that is not included within any park
26 district but is included within a conservation
27 district and is the county seat of a county that (i) is
28 contiguous to the state of Indiana and (ii) has a 1990
29 population of 88,257 according to the United States
30 Bureau of the Census, except that if the conservation
31 district does not maintain a museum, the monies shall
32 be allocated equally between the county and the
33 municipality in which the inter-track wagering
34 location licensee is located for general purposes) or
35 to a municipal recreation board for park purposes (if
36 an inter-track wagering location licensee is located

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

26 One-seventh to the Agricultural Premium Fund to be
27 used for distribution to agricultural home economics
28 extension councils in accordance with "An Act in
29 relation to additional support and finances for the
30 Agricultural and Home Economic Extension Councils in
31 the several counties of this State and making an
32 appropriation therefor", approved July 24, 1967.

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

36 Two-sevenths to the Department of Agriculture.

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

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

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

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

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

29 (ii) If the inter-track wagering licensee,
30 except an intertrack wagering licensee that
31 derives its license from an organization licensee
32 located in a county with a population in excess of
33 230,000 and bounded by the Mississippi River, is
34 also conducting its own race meeting during the
35 same dates, then the purse allocation shall be as
36 follows: 50% to purses at the track where the races

1 wagered on are being conducted; 50% to purses at
2 the track where the inter-track wagering licensee
3 is accepting such wagers.

4 (iii) If the inter-track wagering is being
5 conducted by an inter-track wagering location
6 licensee, except an intertrack wagering location
7 licensee that derives its license from an
8 organization licensee located in a county with a
9 population in excess of 230,000 and bounded by the
10 Mississippi River, the entire purse allocation for
11 Illinois races shall be to purses at the track
12 where the race meeting being wagered on is being
13 held.

14 (12) The Board shall have all powers necessary and
15 proper to fully supervise and control the conduct of
16 inter-track wagering and simulcast wagering by inter-track
17 wagering licensees and inter-track wagering location
18 licensees, including, but not limited to the following:

19 (A) The Board is vested with power to promulgate
20 reasonable rules and regulations for the purpose of
21 administering the conduct of this wagering and to
22 prescribe reasonable rules, regulations and conditions
23 under which such wagering shall be held and conducted.
24 Such rules and regulations are to provide for the
25 prevention of practices detrimental to the public
26 interest and for the best interests of said wagering
27 and to impose penalties for violations thereof.

28 (B) The Board, and any person or persons to whom it
29 delegates this power, is vested with the power to enter
30 the facilities of any licensee to determine whether
31 there has been compliance with the provisions of this
32 Act and the rules and regulations relating to the
33 conduct of such wagering.

34 (C) The Board, and any person or persons to whom it
35 delegates this power, may eject or exclude from any
36 licensee's facilities, any person whose conduct or

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

8 (D) (Blank).

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

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

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

30 (13) The Department of Agriculture may enter into
31 agreements with licensees authorizing such licensees to
32 conduct inter-track wagering on races to be held at the
33 licensed race meetings conducted by the Department of
34 Agriculture. Such agreement shall specify the races of the
35 Department of Agriculture's licensed race meeting upon
36 which the licensees will conduct wagering. In the event

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

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

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

24 (230 ILCS 5/26.2) (from Ch. 8, par. 37-26.2)

25 Sec. 26.2. Multiple wager amounts; retention; allocation.

26 (a) In addition to the amount retained by licensees
27 pursuant to Section 26, each licensee may retain an additional
28 amount up to 3 1/2% of the amount wagered on all multiple
29 wagers plus an additional amount up to 8% of the amount wagered
30 on any other multiple wager that involves a single betting
31 interest on 3 or more horses.

32 (b) Amounts retained by organization licensees and
33 inter-track wagering licensees on all forms of wagering shall
34 be allocated, after payment of applicable State and local taxes
35 among organization licensees, inter-track wagering licensees,

1 and purses as set forth in paragraph (5) of subsection (g) of
2 Section 26, subparagraph (A) of paragraph (11) of subsection
3 (h) of Section 26, and subsection (a) of Section 29 of this
4 Act.

5 (c) Amounts retained by intertrack wagering location
6 licensees under this Section on all forms of wagering shall be
7 allocated, after payment of applicable State and local taxes,
8 50% to purses and 50% among organization licensees and~~7~~
9 intertrack wagering location licensees~~7~~, ~~and purses as set forth~~
10 ~~in paragraph 5 of subsection (g) of Section 26 and subparagraph~~
11 ~~(B) of paragraph (11) of subsection (h) of Section 26.~~

12 (Source: P.A. 89-16, eff. 5-30-95.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.