

## 94TH GENERAL ASSEMBLY State of Illinois 2005 and 2006 SB1797

Introduced 2/25/2005, by Sen. Michael Jacobs

## SYNOPSIS AS INTRODUCED:

230 ILCS 5/31

from Ch. 8, par. 37-31

Amends the Illinois Horse Racing Act of 1975. Makes a technical change in a Section concerning the Illinois Standardbred Breeders Fund.

LRB094 09807 AMC 40063 b

1 AN ACT concerning gaming.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Horse Racing Act of 1975 is amended by changing Section 31 as follows:
- 6 (230 ILCS 5/31) (from Ch. 8, par. 37-31)
  - Sec. 31. (a) The The General Assembly declares that it is the policy of this State to encourage the breeding of standardbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality standardbred horses to participate in harness racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Section of this Act.
    - (b) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide for at least two races each race program limited to Illinois conceived and foaled horses. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled horses. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.
    - (c) Conditions of races under subsection (b) shall be commensurate with past performance, quality and class of Illinois conceived and foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.
- 30 (d) There is hereby created a special fund of the State 31 Treasury to be known as the Illinois Standardbred Breeders 32 Fund.

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- During the calendar year 1981, and each year thereafter, except as provided in subsection (g) of Section 27 of this Act, eight and one-half per cent of all the monies received by the State as privilege taxes on harness racing meetings shall be paid into the Illinois Standardbred Breeders Fund.
  - (e) The Illinois Standardbred Breeders Fund shall be administered by the Department of Agriculture with the assistance and advice of the Advisory Board created in subsection (f) of this Section.
- (f) The Illinois Standardbred Breeders Fund Advisory Board 10 11 is hereby created. The Advisory Board shall consist of the 12 Director of the Department of Agriculture, who shall serve as 13 Chairman; the Superintendent of the Illinois State Fair; a member of the Illinois Racing Board, designated by it; a 14 15 representative of the Illinois Standardbred Owners and 16 Breeders Association, recommended by it; a representative of 17 the Illinois Association of Agricultural Fairs, recommended by it, such representative to be from a fair at which Illinois 18 19 conceived and foaled racing is conducted; a representative of 20 the organization licensees conducting harness racing meetings, recommended by them and a representative of the Illinois 21 22 Harness Horsemen's Association, recommended by it. Advisory 23 Board members shall serve for 2 years commencing January 1, of 24 each odd numbered year. If representatives of the Illinois 25 Standardbred Owners and Breeders Associations, the Illinois 26 Association of Agricultural Fairs, the Illinois Harness 27 Horsemen's Association, and the organization licensees 28 conducting harness racing meetings have not been recommended by 29 January 1, of each odd numbered year, the Director of the 30 Department of Agriculture shall make an appointment for the 31 organization failing to so recommend a member of the Advisory 32 Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all 33 34 actual and necessary expenses and disbursements incurred in the execution of their official duties. 35
  - (g) No monies shall be expended from the Illinois

purposes only:

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- Standardbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois Standardbred Breeders Fund shall be expended by the Department of Agriculture, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board for the following
  - 1. To provide purses for races limited to Illinois conceived and foaled horses at the State Fair.
    - 2. To provide purses for races limited to Illinois conceived and foaled horses at county fairs.
    - 3. To provide purse supplements for races limited to Illinois conceived and foaled horses conducted by associations conducting harness racing meetings.
    - 4. No less than 75% of all monies in the Illinois Standardbred Breeders Fund shall be expended for purses in 1, 2 and 3 as shown above.
    - 5. In the discretion of the Department of Agriculture to provide awards to harness breeders of Illinois conceived and foaled horses which win races conducted by organization licensees conducting harness racing meetings. A breeder is the owner of a mare at the time of conception. No more than 10% of all monies appropriated from the Illinois Standardbred Breeders Fund shall be expended for such harness breeders awards. No more than 25% of the amount expended for harness breeders awards shall be expended for expenses incurred in the administration of such harness breeders awards.
    - 6. To pay for the improvement of racing facilities located at the State Fair and County fairs.
    - 7. To pay the expenses incurred in the administration of the Illinois Standardbred Breeders Fund.
      - 8. To promote the sport of harness racing.
  - (h) Whenever the Governor finds that the amount in the Illinois Standardbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of

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- 1 such fact. The Comptroller and the State Treasurer, upon 2 receipt of such notification, shall transfer such excess amount 3 from the Illinois Standardbred Breeders Fund to the General Revenue Fund. 4
  - (i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois conceived and foaled horse shall be paid by the organization licensee conducting the horse race meeting to the breeder of such winning horse from the organization licensee's share of the money wagered. Such payment shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Such payment shall be delivered by the organization licensee at the end of each race meeting.
  - (j) The Department of Agriculture shall, by rule, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board:
- 1. Qualify stallions for Illinois Standardbred Breeders Fund breeding; such stallion shall be owned by a resident of 18 19 the State of Illinois or by an Illinois corporation all of 20 whose shareholders, directors, officers and incorporators are residents of the State of Illinois. Such stallion shall stand 21 for service at and within the State of Illinois at the time of 22 23 a foal's conception, and such stallion must not stand for service at any place, nor may semen from such stallion be 24 transported, outside the State of Illinois during that calendar 25 26 year in which the foal is conceived and that the owner of the 27 stallion was for the 12 months prior, a resident of Illinois. 28 The articles of agreement of any partnership, joint venture, 29 limited partnership, syndicate, association or corporation and 30 any bylaws and stock certificates must contain a restriction 31 that provides that the ownership or transfer of interest by any 32 one of the persons a party to the agreement can only be made to a person who qualifies as an Illinois resident. 33
- 34 2. Provide for the registration of Illinois conceived and 35 foaled horses and no such horse shall compete in the races limited to Illinois conceived and foaled horses unless 36

registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as may be necessary to determine the eligibility of such horses. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information. A mare (dam) must be in the state at least 30 days prior to foaling or remain in the State at least 30 days at the time of foaling. Beginning with the 1996 breeding season and for foals of 1997 and thereafter, a foal conceived by transported fresh semen may be eligible for Illinois conceived and foaled registration provided all breeding and foaling requirements are met. The stallion must be qualified for Illinois Standardbred Breeders Fund breeding at the time of conception and the mare must be inseminated within the State of Illinois. The foal must be dropped in Illinois and properly registered with the Department of Agriculture in accordance with this Act.

- 3. Provide that at least a 5 day racing program shall be conducted at the State Fair each year, which program shall include at least the following races limited to Illinois conceived and foaled horses: (a) a two year old Trot and Pace, and Filly Division of each; (b) a three year old Trot and Pace, and Filly Division of each; (c) an aged Trot and Pace, and Mare Division of each.
- 4. Provide for the payment of nominating, sustaining and starting fees for races promoting the sport of harness racing and for the races to be conducted at the State Fair as provided in subsection (j) 3 of this Section provided that the nominating, sustaining and starting payment required from an entrant shall not exceed 2% of the purse of such race. All nominating, sustaining and starting payments shall be held for the benefit of entrants and shall be paid out as part of the respective purses for such races. Nominating, sustaining and starting fees shall be held in trust accounts for the purposes as set forth in this Act and in accordance with Section 205-15 of the Department of Agriculture Law (20 ILCS 205/205-15).
  - 5. Provide for the registration with the Department of

Agriculture of Colt Associations or county fairs desiring to sponsor races at county fairs.

- (k) The Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Standardbred Breeders Fund program, the number of races that may occur, and an organizational licensee's purse structure. The organizational licensee shall notify the Department of Agriculture of the conditions and minimum purses for races limited to Illinois conceived and foaled horses to be conducted by each organizational licensee conducting a harness racing meeting for which purse supplements have been negotiated.
- (1) All races held at county fairs and the State Fair which receive funds from the Illinois Standardbred Breeders Fund shall be conducted in accordance with the rules of the United States Trotting Association unless otherwise modified by the Department of Agriculture.
- (m) At all standardbred race meetings held or conducted under authority of a license granted by the Board, and at all standardbred races held at county fairs which are approved by the Department of Agriculture or at the Illinois or DuQuoin State Fairs, no one shall jog, train, warm up or drive a standardbred horse unless he or she is wearing a protective safety helmet, with the chin strap fastened and in place, which meets the standards and requirements as set forth in the 1984 Standard for Protective Headgear for Use in Harness Racing and Other Equestrian Sports published by the Snell Memorial Foundation, or any standards and requirements for headgear the Illinois Racing Board may approve. Any other standards and requirements so approved by the Board shall equal or exceed published by the Snell Memorial Foundation. equestrian helmet bearing the Snell label shall be deemed to

- 1 have met those standards and requirements.
- 2 (Source: P.A. 91-239, eff. 1-1-00.)