

# HB3443



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

**HB3443**

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

#### SYNOPSIS AS INTRODUCED:

230 ILCS 5/26

from Ch. 8, par. 37-26

Amends the Illinois Horse Racing Act of 1975. Provides that each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Illinois Veterans' Homes Fund. Effective immediately.

LRB095 10109 AMC 30323 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Horse Racing Act of 1975 is amended  
5 by changing Section 26 as follows:

6 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

7 Sec. 26. Wagering.

8 (a) Any licensee may conduct and supervise the pari-mutuel  
9 system of wagering, as defined in Section 3.12 of this Act, on  
10 horse races conducted by an Illinois organization licensee or  
11 conducted at a racetrack located in another state or country  
12 and televised in Illinois in accordance with subsection (g) of  
13 Section 26 of this Act. Subject to the prior consent of the  
14 Board, licensees may supplement any pari-mutuel pool in order  
15 to guarantee a minimum distribution. Such pari-mutuel method of  
16 wagering shall not, under any circumstances if conducted under  
17 the provisions of this Act, be held or construed to be  
18 unlawful, other statutes of this State to the contrary  
19 notwithstanding. Subject to rules for advance wagering  
20 promulgated by the Board, any licensee may accept wagers in  
21 advance of the day of the race wagered upon occurs.

22 (b) No other method of betting, pool making, wagering or  
23 gambling shall be used or permitted by the licensee. Each

1 licensee may retain, subject to the payment of all applicable  
2 taxes and purses, an amount not to exceed 17% of all money  
3 wagered under subsection (a) of this Section, except as may  
4 otherwise be permitted under this Act.

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

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

22 (c-5) Beginning January 1, 2000, the sum held by any  
23 licensee for payment of outstanding pari-mutuel tickets, if  
24 unclaimed prior to December 31 of the next year, shall be  
25 retained by the licensee for payment of such tickets until that  
26 date. Within 10 days thereafter, the balance of such sum

1 remaining unclaimed, less any uncashed supplements contributed  
2 by such licensee for the purpose of guaranteeing minimum  
3 distributions of any pari-mutuel pool, shall be evenly  
4 distributed to the purse account of the organization licensee  
5 and the organization licensee.

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

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

20 (f) Notwithstanding the other provisions of this Act, an  
21 organization licensee may contract with an entity in another  
22 state or country to permit any legal wagering entity in another  
23 state or country to accept wagers solely within such other  
24 state or country on races conducted by the organization  
25 licensee in this State. Beginning January 1, 2000, these wagers  
26 shall not be subject to State taxation. Until January 1, 2000,

1 when the out-of-State entity conducts a pari-mutuel pool  
2 separate from the organization licensee, a privilege tax equal  
3 to 7 1/2% of all monies received by the organization licensee  
4 from entities in other states or countries pursuant to such  
5 contracts is imposed on the organization licensee, and such  
6 privilege tax shall be remitted to the Department of Revenue  
7 within 48 hours of receipt of the moneys from the simulcast.  
8 When the out-of-State entity conducts a combined pari-mutuel  
9 pool with the organization licensee, the tax shall be 10% of  
10 all monies received by the organization licensee with 25% of  
11 the receipts from this 10% tax to be distributed to the county  
12 in which the race was conducted.

13 An organization licensee may permit one or more of its  
14 races to be utilized for pari-mutuel wagering at one or more  
15 locations in other states and may transmit audio and visual  
16 signals of races the organization licensee conducts to one or  
17 more locations outside the State or country and may also permit  
18 pari-mutuel pools in other states or countries to be combined  
19 with its gross or net wagering pools or with wagering pools  
20 established by other states.

21 (g) A host track may accept interstate simulcast wagers on  
22 horse races conducted in other states or countries and shall  
23 control the number of signals and types of breeds of racing in  
24 its simulcast program, subject to the disapproval of the Board.  
25 The Board may prohibit a simulcast program only if it finds  
26 that the simulcast program is clearly adverse to the integrity

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

18 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
19 intertrack wagering licensee other than the host track may  
20 supplement the host track simulcast program with  
21 additional simulcast races or race programs, provided that  
22 between January 1 and the third Friday in February of any  
23 year, inclusive, if no live thoroughbred racing is  
24 occurring in Illinois during this period, only  
25 thoroughbred races may be used for supplemental interstate  
26 simulcast purposes. The Board shall withhold approval for a

1 supplemental interstate simulcast only if it finds that the  
2 simulcast is clearly adverse to the integrity of racing. A  
3 supplemental interstate simulcast may be transmitted from  
4 an intertrack wagering licensee to its affiliated non-host  
5 licensees. The interstate commission fee for a  
6 supplemental interstate simulcast shall be paid by the  
7 non-host licensee and its affiliated non-host licensees  
8 receiving the simulcast.

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

19 (3) Each licensee conducting interstate simulcast  
20 wagering may retain, subject to the payment of all  
21 applicable taxes and the purses, an amount not to exceed  
22 17% of all money wagered. If any licensee conducts the  
23 pari-mutuel system wagering on races conducted at  
24 racetracks in another state or country, each such race or  
25 race program shall be considered a separate racing day for  
26 the purpose of determining the daily handle and computing

1 the privilege tax of that daily handle as provided in  
2 subsection (a) of Section 27. Until January 1, 2000, from  
3 the sums permitted to be retained pursuant to this  
4 subsection, each intertrack wagering location licensee  
5 shall pay 1% of the pari-mutuel handle wagered on simulcast  
6 wagering to the Horse Racing Tax Allocation Fund, subject  
7 to the provisions of subparagraph (B) of paragraph (11) of  
8 subsection (h) of Section 26 of this Act. Beginning on the  
9 effective date of this amendatory Act of the 95th General  
10 Assembly, from the sums permitted to be retained pursuant  
11 to this subsection, each intertrack wagering location  
12 licensee shall pay 1% of the pari-mutuel handle wagered on  
13 simulcast wagering to the Illinois Veterans' Homes Fund.

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

25 (5) After the payment of the interstate commission fee  
26 (except for the interstate commission fee on a supplemental



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

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

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

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

26 (7) Notwithstanding any provision of this Act to the

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

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

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

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

1 made during this time period to its standardbred purse  
2 accounts;

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

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

11 (7.1) Notwithstanding any other provision of this Act  
12 to the contrary, if no standardbred racing is conducted at  
13 a racetrack located in Madison County during any calendar  
14 year beginning on or after January 1, 2002, all moneys  
15 derived by that racetrack from simulcast wagering and  
16 inter-track wagering that (1) are to be used for purses and  
17 (2) are generated between the hours of 6:30 p.m. and 6:30  
18 a.m. during that calendar year shall be paid as follows:

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

24 (B) Twenty percent shall be deposited into the  
25 Illinois Colt Stakes Purse Distribution Fund and shall  
26 be paid to purses for standardbred races for Illinois

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

13 (7.2) Notwithstanding any other provision of this Act  
14 to the contrary, if no thoroughbred racing is conducted at  
15 a racetrack located in Madison County during any calendar  
16 year beginning on or after January 1, 2002, all moneys  
17 derived by that racetrack from simulcast wagering and  
18 inter-track wagering that (1) are to be used for purses and  
19 (2) are generated between the hours of 6:30 a.m. and 6:30  
20 p.m. during that calendar year shall be deposited as  
21 follows:

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

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

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

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

3           (B) Twenty percent to the Illinois Colt Stakes  
4           Purse Distribution Fund.

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

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

22          (7.4) If live standardbred racing is conducted at a  
23          racetrack located in Madison County at any time in calendar  
24          year 2001 before the payment required under paragraph (7.3)  
25          has been made, the organization licensee who is licensed to  
26          conduct racing at that racetrack shall pay all moneys

1 derived by that racetrack from simulcast wagering and  
2 inter-track wagering during calendar years 2000 and 2001  
3 that (1) are to be used for purses and (2) are generated  
4 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or  
5 2001 to the standardbred purse account at that racetrack to  
6 be used for standardbred purses.

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

14 (8.1) Notwithstanding any provisions in this Act to the  
15 contrary, if 2 organization licensees are conducting  
16 standardbred race meetings concurrently between the hours  
17 of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
18 State and local taxes and interstate commission fees, the  
19 remainder of the amount retained from simulcast wagering  
20 otherwise attributable to the host track and to host track  
21 purses shall be split daily between the 2 organization  
22 licensees and the purses at the tracks of the 2  
23 organization licensees, respectively, based on each  
24 organization licensee's share of the total live handle for  
25 that day, provided that this provision shall not apply to  
26 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



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

1 each purse account shall be the amount certified by the  
2 Illinois Racing Board in January to be transferred from  
3 each account to each eligible racing facility in accordance  
4 with the provisions of this Section.

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

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

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

23 (2) The Board shall examine the applications with  
24 respect to their conformity with this Act and the rules and  
25 regulations imposed by the Board. If found to be in  
26 compliance with the Act and rules and regulations of the

1 Board, the Board may then issue a license to conduct  
2 inter-track wagering and simulcast wagering to such  
3 applicant. All such applications shall be acted upon by the  
4 Board at a meeting to be held on such date as may be fixed  
5 by the Board.

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

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

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

26 (6) All wagering under such license is subject to this

1 Act and to the rules and regulations from time to time  
2 prescribed by the Board, and every such license issued by  
3 the Board shall contain a recital to that effect.

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

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

11 (8.1) Inter-track wagering location licensees who  
12 derive their licenses from a particular organization  
13 licensee shall conduct inter-track wagering and simulcast  
14 wagering only at locations which are either within 90 miles  
15 of that race track where the particular organization  
16 licensee is licensed to conduct racing, or within 135 miles  
17 of that race track where the particular organization  
18 licensee is licensed to conduct racing in the case of race  
19 tracks in counties of less than 400,000 that were operating  
20 on or before June 1, 1986. However, inter-track wagering  
21 and simulcast wagering shall not be conducted by those  
22 licensees at any location within 5 miles of any race track  
23 at which a horse race meeting has been licensed in the  
24 current year, unless the person having operating control of  
25 such race track has given its written consent to such  
26 inter-track wagering location licensees, which consent

1 must be filed with the Board at or prior to the time  
2 application is made.

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

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

11 (9) (Blank).

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

22 (10.1) Except as provided in subsection (g) of Section  
23 27 of this Act, inter-track wagering location licensees  
24 shall pay 1% of the pari-mutuel handle at each location to  
25 the municipality in which such location is situated and 1%  
26 of the pari-mutuel handle at each location to the county in

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

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

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

26                 (B) That portion of all moneys wagered on



1 thoroughbred racing that is required under this Act to  
2 be paid to purses shall be paid to purses for  
3 thoroughbred races.

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

24 (B) From the sums permitted to be retained pursuant to  
25 this Act each inter-track wagering location licensee shall  
26 pay (i) the privilege or pari-mutuel tax to the State; (ii)

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

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

1 at such location to satisfy all costs and expenses of  
2 conducting its wagering. The remainder of the monies  
3 retained by the inter-track wagering location licensee  
4 shall be allocated 40% to the location licensee and 60% to  
5 the organization licensee which provides the Illinois  
6 races to the location, except that an intertrack wagering  
7 location licensee that derives its license from a track  
8 located in a county with a population in excess of 230,000  
9 and that borders the Mississippi River shall not divide any  
10 remaining retention with the organization licensee that  
11 provides the race or races and an intertrack wagering  
12 location licensee that accepts wagers on races conducted by  
13 an organization licensee that conducts a race meet in a  
14 county with a population in excess of 230,000 and that  
15 borders the Mississippi River shall not divide any  
16 remaining retention with the organization licensee.  
17 Notwithstanding the provisions of clauses (ii) and (iv) of  
18 this paragraph, in the case of the additional inter-track  
19 wagering location licenses authorized under paragraph (1)  
20 of this subsection (h) by this amendatory Act of 1991,  
21 those licensees shall pay the following amounts as purses:  
22 during the first 12 months the licensee is in operation,  
23 5.25% of the pari-mutuel handle wagered at the location on  
24 races; during the second 12 months, 5.25%; during the third  
25 12 months, 5.75%; during the fourth 12 months, 6.25%; and  
26 during the fifth 12 months and thereafter, 6.75%. The

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

20 (C) There is hereby created the Horse Racing Tax  
21 Allocation Fund which shall remain in existence until  
22 December 31, 1999. Moneys remaining in the Fund after  
23 December 31, 1999 shall be paid into the General Revenue  
24 Fund. Until January 1, 2000, all monies paid into the Horse  
25 Racing Tax Allocation Fund pursuant to this paragraph (11)  
26 by inter-track wagering location licensees located in park

1 districts of 500,000 population or less, or in a  
2 municipality that is not included within any park district  
3 but is included within a conservation district and is the  
4 county seat of a county that (i) is contiguous to the state  
5 of Indiana and (ii) has a 1990 population of 88,257  
6 according to the United States Bureau of the Census, and  
7 operating on May 1, 1994 shall be allocated by  
8 appropriation as follows:

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

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

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

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



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

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

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

21 Two-sevenths to the Department of Agriculture.  
22 Fifty percent of this two-sevenths shall be used to  
23 promote the Illinois horse racing and breeding  
24 industry, and shall be distributed by the Department of  
25 Agriculture upon the advice of a 9-member committee  
26 appointed by the Governor consisting of the following

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

1 disbursements incurred in the performance of their  
2 official duties. The remaining 50% of this  
3 two-sevenths shall be distributed to county fairs for  
4 premiums and rehabilitation as set forth in the  
5 Agricultural Fair Act;

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

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

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

25 (i) If the inter-track wagering licensee,  
26 except an intertrack wagering licensee that

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

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

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

1           where the race meeting being wagered on is being  
2           held.

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

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

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

23          (C) The Board, and any person or persons to whom it  
24          delegates this power, may eject or exclude from any  
25          licensee's facilities, any person whose conduct or  
26          reputation is such that his presence on such premises

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

7           (D) (Blank).

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

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

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

1 Board's discretion, is a detriment or impediment to  
2 such wagering.

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

1 race meetings.

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

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

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law.