

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
5 amended by changing Section 30 as follows:

6 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

7 Sec. 30. (a) The General Assembly declares that it is
8 the policy of this State to encourage the breeding of
9 thoroughbred horses in this State and the ownership of such
10 horses by residents of this State in order to provide for:
11 sufficient numbers of high quality thoroughbred horses to
12 participate in thoroughbred racing meetings in this State,
13 and to establish and preserve the agricultural and commercial
14 benefits of such breeding and racing industries to the State
15 of Illinois. It is the intent of the General Assembly to
16 further this policy by the provisions of this Act.

17 (b) Each organization licensee conducting a thoroughbred
18 racing meeting pursuant to this Act shall provide at least
19 two races each day limited to Illinois conceived and foaled
20 horses or Illinois foaled horses or both. A minimum of 6
21 races shall be conducted each week limited to Illinois
22 conceived and foaled or Illinois foaled horses or both. No
23 horses shall be permitted to start in such races unless duly
24 registered under the rules of the Department of Agriculture.

25 (c) Conditions of races under subsection (b) shall be
26 commensurate with past performance, quality, and class of
27 Illinois conceived and foaled and Illinois foaled horses
28 available. If, however, sufficient competition cannot be had
29 among horses of that class on any day, the races may, with
30 consent of the Board, be eliminated for that day and
31 substitute races provided.

1 (d) There is hereby created a special fund of the State
2 Treasury to be known as the Illinois Thoroughbred Breeders
3 Fund.

4 Except as provided in subsection (g) of Section 27 of
5 this Act, 8.5% of all the monies received by the State as
6 privilege taxes on Thoroughbred racing meetings shall be paid
7 into the Illinois Thoroughbred Breeders Fund.

8 (e) The Illinois Thoroughbred Breeders Fund shall be
9 administered by the Department of Agriculture with the advice
10 and assistance of the Advisory Board created in subsection
11 (f) of this Section.

12 (f) The Illinois Thoroughbred Breeders Fund Advisory
13 Board shall consist of the Director of the Department of
14 Agriculture, who shall serve as Chairman; a member of the
15 Illinois Racing Board, designated by it; 2 representatives of
16 the organization licensees conducting thoroughbred racing
17 meetings, recommended by them; 2 representatives of the
18 Illinois Thoroughbred Breeders and Owners Foundation,
19 recommended by it; and 2 representatives of the Horsemen's
20 Benevolent Protective Association or any successor
21 organization established in Illinois comprised of the largest
22 number of owners and trainers, recommended by it, with one
23 representative of the Horsemen's Benevolent and Protective
24 Association to come from its Illinois Division, and one from
25 its Chicago Division. Advisory Board members shall serve for
26 2 years commencing January 1 of each odd numbered year. If
27 representatives of the organization licensees conducting
28 thoroughbred racing meetings, the Illinois Thoroughbred
29 Breeders and Owners Foundation, and the Horsemen's Benevolent
30 Protection Association have not been recommended by January
31 1, of each odd numbered year, the Director of the Department
32 of Agriculture shall make an appointment for the organization
33 failing to so recommend a member of the Advisory Board.
34 Advisory Board members shall receive no compensation for

1 their services as members but shall be reimbursed for all
2 actual and necessary expenses and disbursements incurred in
3 the execution of their official duties.

4 (g) No monies shall be expended from the Illinois
5 Thoroughbred Breeders Fund except as appropriated by the
6 General Assembly. Monies appropriated from the Illinois
7 Thoroughbred Breeders Fund shall be expended by the
8 Department of Agriculture, with the advice and assistance of
9 the Illinois Thoroughbred Breeders Fund Advisory Board, for
10 the following purposes only:

11 (1) To provide purse supplements to owners of
12 horses participating in races limited to Illinois
13 conceived and foaled and Illinois foaled horses. Any
14 such purse supplements shall not be included in and shall
15 be paid in addition to any purses, stakes, or breeders'
16 awards offered by each organization licensee as
17 determined by agreement between such organization
18 licensee and an organization representing the horsemen.
19 No monies from the Illinois Thoroughbred Breeders Fund
20 shall be used to provide purse supplements for claiming
21 races in which the minimum claiming price is less than
22 \$7,500.

23 (2) To provide stakes and awards to be paid to the
24 owners of the winning horses in certain races limited to
25 Illinois conceived and foaled and Illinois foaled horses
26 designated as stakes races.

27 (2.5) To provide an award to the owner or owners of
28 an Illinois conceived and foaled or Illinois foaled horse
29 that wins a maiden special weight, an allowance,
30 overnight handicap race, or claiming race with claiming
31 price of \$10,000 or more providing the race is not
32 restricted to Illinois conceived and foaled or Illinois
33 foaled horses. Awards shall also be provided to the
34 owner or owners of Illinois conceived and foaled and

1 Illinois foaled horses that place second or third in
2 those races. To the extent that additional moneys are
3 required to pay the minimum additional awards of 40% of
4 the purse the horse earns for placing first, second or
5 third in those races for Illinois foaled horses and of
6 60% of the purse the horse earns for placing first,
7 second or third in those races for Illinois conceived and
8 foaled horses, those moneys shall be provided from the
9 purse account at the track where earned.

10 (3) To provide stallion awards to the owner or
11 owners of any stallion that is duly registered with the
12 Illinois Thoroughbred Breeders Fund Program prior to the
13 effective date of this amendatory Act of 1995 whose duly
14 registered Illinois conceived and foaled offspring wins a
15 race conducted at an Illinois thoroughbred racing meeting
16 other than a claiming race. Such award shall not be paid
17 to the owner or owners of an Illinois stallion that
18 served outside this State at any time during the calendar
19 year in which such race was conducted.

20 (4) To provide \$75,000 annually for purses to be
21 distributed to county fairs that provide for the running
22 of races during each county fair exclusively for the
23 thoroughbreds conceived and foaled in Illinois. The
24 conditions of the races shall be developed by the county
25 fair association and reviewed by the Department with the
26 advice and assistance of the Illinois Thoroughbred
27 Breeders Fund Advisory Board. There shall be no wagering
28 of any kind on the running of Illinois conceived and
29 foaled races at county fairs.

30 (4.1) To provide purse money for an Illinois
31 stallion stakes program.

32 (5) No less than 80% of all monies appropriated
33 from the Illinois Thoroughbred Breeders Fund shall be
34 expended for the purposes in (1), (2), (2.5), (3), (4),

1 (4.1), and (5) as shown above.

2 (6) To provide for educational programs regarding
3 the thoroughbred breeding industry.

4 (7) To provide for research programs concerning the
5 health, development and care of the thoroughbred horse.

6 (8) To provide for a scholarship and training
7 program for students of equine veterinary medicine.

8 (9) To provide for dissemination of public
9 information designed to promote the breeding of
10 thoroughbred horses in Illinois.

11 (10) To provide for all expenses incurred in the
12 administration of the Illinois Thoroughbred Breeders
13 Fund.

14 (h) Whenever the Governor finds that the amount in the
15 Illinois Thoroughbred Breeders Fund is more than the total of
16 the outstanding appropriations from such fund, the Governor
17 shall notify the State Comptroller and the State Treasurer of
18 such fact. The Comptroller and the State Treasurer, upon
19 receipt of such notification, shall transfer such excess
20 amount from the Illinois Thoroughbred Breeders Fund to the
21 General Revenue Fund.

22 (i) A sum equal to 12 1/2% of the first prize money of
23 every purse won by an Illinois foaled or an Illinois
24 conceived and foaled horse in races not limited to Illinois
25 foaled horses or Illinois conceived and foaled horses, or
26 both, shall be paid by the organization licensee conducting
27 the horse race meeting. Such sum shall be paid from the
28 organization licensee's share of the money wagered as
29 follows: 11 1/2% to the breeder of the winning horse and 1%
30 to the organization representing thoroughbred breeders and
31 owners whose representative serves on the Illinois
32 Thoroughbred Breeders Fund Advisory Board for verifying the
33 amounts of breeders' awards earned, assuring their
34 distribution in accordance with this Act, and servicing and

1 promoting the Illinois thoroughbred horse racing industry.
2 The organization representing thoroughbred breeders and
3 owners shall cause all expenditures of monies received under
4 this subsection (i) to be audited at least annually by a
5 registered public accountant. The organization shall file
6 copies of each annual audit with the Racing Board, the Clerk
7 of the House of Representatives and the Secretary of the
8 Senate, and shall make copies of each annual audit available
9 to the public upon request and upon payment of the reasonable
10 cost of photocopying the requested number of copies. Such
11 payments shall not reduce any award to the owner of the horse
12 or reduce the taxes payable under this Act. Upon completion
13 of its racing meet, each organization licensee shall deliver
14 to the organization representing thoroughbred breeders and
15 owners whose representative serves on the Illinois
16 Thoroughbred Breeders Fund Advisory Board a listing of all
17 the Illinois foaled and the Illinois conceived and foaled
18 horses which won breeders' awards and the amount of such
19 breeders' awards under this subsection to verify accuracy of
20 payments and assure proper distribution of breeders' awards
21 in accordance with the provisions of this Act. Such payments
22 shall be delivered by the organization licensee within 30
23 days of the end of each race meeting.

24 (j) A sum equal to 12 1/2% of the first prize money won
25 in each race limited to Illinois foaled horses or Illinois
26 conceived and foaled horses, or both, shall be paid in the
27 following manner by the organization licensee conducting the
28 horse race meeting, from the organization licensee's share of
29 the money wagered: 11 1/2% to the breeders of the horses in
30 each such race which are the official first, second, third
31 and fourth finishers and 1% to the organization representing
32 thoroughbred breeders and owners whose representative serves
33 on the Illinois Thoroughbred Breeders Fund Advisory Board for
34 verifying the amounts of breeders' awards earned, assuring

1 their proper distribution in accordance with this Act, and
2 servicing and promoting the Illinois thoroughbred horse
3 racing industry. The organization representing thoroughbred
4 breeders and owners shall cause all expenditures of monies
5 received under this subsection (j) to be audited at least
6 annually by a registered public accountant. The organization
7 shall file copies of each annual audit with the Racing Board,
8 the Clerk of the House of Representatives and the Secretary
9 of the Senate, and shall make copies of each annual audit
10 available to the public upon request and upon payment of the
11 reasonable cost of photocopying the requested number of
12 copies.

13 The 11 1/2% paid to the breeders in accordance with this
14 subsection shall be distributed as follows:

15 (1) 60% of such sum shall be paid to the breeder of
16 the horse which finishes in the official first position;

17 (2) 20% of such sum shall be paid to the breeder of
18 the horse which finishes in the official second position;

19 (3) 15% of such sum shall be paid to the breeder of
20 the horse which finishes in the official third position;
21 and

22 (4) 5% of such sum shall be paid to the breeder of
23 the horse which finishes in the official fourth position.

24 Such payments shall not reduce any award to the owners of
25 a horse or reduce the taxes payable under this Act. Upon
26 completion of its racing meet, each organization licensee
27 shall deliver to the organization representing thoroughbred
28 breeders and owners whose representative serves on the
29 Illinois Thoroughbred Breeders Fund Advisory Board a listing
30 of all the Illinois foaled and the Illinois conceived and
31 foaled horses which won breeders' awards and the amount of
32 such breeders' awards in accordance with the provisions of
33 this Act. Such payments shall be delivered by the
34 organization licensee within 30 days of the end of each race

1 meeting.

2 (k) The term "breeder", as used herein, means the owner
3 of the mare at the time the foal is dropped. An "Illinois
4 foaled horse" is a foal dropped by a mare which enters this
5 State on or before December 1, in the year in which the horse
6 is bred, provided the mare remains continuously in this State
7 until its foal is born. An "Illinois foaled horse" also means
8 a foal born of a mare in the same year as the mare enters
9 this State on or before March 1, and remains in this State at
10 least 30 days after foaling, is bred back during the season
11 of the foaling to an Illinois Registered Stallion (unless a
12 veterinarian certifies that the mare should not be bred for
13 health reasons), and is not bred to a stallion standing in
14 any other state during the season of foaling. An "Illinois
15 foaled horse" also means a foal born in Illinois of a mare
16 purchased at public auction subsequent to the mare entering
17 this State prior to February 1 of the foaling year providing
18 the mare is owned solely by one or more Illinois residents or
19 an Illinois entity that is entirely owned by one or more
20 Illinois residents.

21 (1) The Department of Agriculture shall, by rule, with
22 the advice and assistance of the Illinois Thoroughbred
23 Breeders Fund Advisory Board:

24 (1) Qualify stallions for Illinois breeding; such
25 stallions to stand for service within the State of
26 Illinois at the time of a foal's conception. Such
27 stallion must not stand for service at any place outside
28 the State of Illinois during the calendar year in which
29 the foal is conceived. The Department of Agriculture may
30 assess and collect application fees for the registration
31 of Illinois-eligible stallions. All fees collected are
32 to be paid into the Illinois Thoroughbred Breeders Fund.

33 (2) Provide for the registration of Illinois
34 conceived and foaled horses and Illinois foaled horses.

1 No such horse shall compete in the races limited to
2 Illinois conceived and foaled horses or Illinois foaled
3 horses or both unless registered with the Department of
4 Agriculture. The Department of Agriculture may prescribe
5 such forms as are necessary to determine the eligibility
6 of such horses. The Department of Agriculture may assess
7 and collect application fees for the registration of
8 Illinois-eligible foals. All fees collected are to be
9 paid into the Illinois Thoroughbred Breeders Fund. No
10 person shall knowingly prepare or cause preparation of an
11 application for registration of such foals containing
12 false information.

13 (m) The Department of Agriculture, with the advice and
14 assistance of the Illinois Thoroughbred Breeders Fund
15 Advisory Board, shall provide that certain races limited to
16 Illinois conceived and foaled and Illinois foaled horses be
17 stakes races and determine the total amount of stakes and
18 awards to be paid to the owners of the winning horses in such
19 races.

20 In determining the stakes races and the amount of awards
21 for such races, the Department of Agriculture shall consider
22 factors, including but not limited to, the amount of money
23 appropriated for the Illinois Thoroughbred Breeders Fund
24 program, organization licensees' contributions, availability
25 of stakes caliber horses as demonstrated by past
26 performances, whether the race can be coordinated into the
27 proposed racing dates within organization licensees' racing
28 dates, opportunity for colts and fillies and various age
29 groups to race, public wagering on such races, and the
30 previous racing schedule.

31 (n) The Board and the organizational licensee shall
32 notify the Department of the conditions and minimum purses
33 for races limited to Illinois conceived and foaled and
34 Illinois foaled horses conducted for each organizational

1 licensee conducting a thoroughbred racing meeting. The
2 Department of Agriculture with the advice and assistance of
3 the Illinois Thoroughbred Breeders Fund Advisory Board may
4 allocate monies for purse supplements for such races. In
5 determining whether to allocate money and the amount, the
6 Department of Agriculture shall consider factors, including
7 but not limited to, the amount of money appropriated for the
8 Illinois Thoroughbred Breeders Fund program, the number of
9 races that may occur, and the organizational licensee's purse
10 structure.

11 (o) In order to improve the breeding quality of
12 thoroughbred horses in the State, the General Assembly
13 recognizes that existing provisions of this Section to
14 encourage such quality breeding need to be revised and
15 strengthened. As such, a Thoroughbred Breeder's Program Task
16 Force is to be appointed by the Governor by September 1, 1999
17 to make recommendations to the General Assembly by no later
18 than May 1, 2001 ~~March 17, 2000~~. This task force is to be
19 composed of 2 representatives from the Illinois Thoroughbred
20 Breeders and Owners Foundation, 2 from the Illinois
21 Thoroughbred Horsemen's Association, 3 from Illinois race
22 tracks operating thoroughbred race meets for an average of at
23 least 30 days in the past 3 years, the Director of
24 Agriculture, the Executive Director of the Racing Board, who
25 shall serve as Chairman.

26 (Source: P.A. 91-40, eff. 6-25-99.)

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.