STATE OF ILLINOIS ILLINOIS RACING BOARD

IN THE MATTER OF THE ISSUANCE OF ORGANIZATION LICENSES AND THE ALLOTMENT OF THOROUGHBRED AND STANDARDBRED RACING DATES FOR CALENDAR YEAR 2025

ORDER

This matter came to be heard on the applications of Fairmount Park, Inc. ("Fairmount"), and Hawthorne Race Course, Inc. ("Hawthorne"), for organization licenses and 2025 thoroughbred racing dates, and the application of Suburban Downs, Inc. ("SDI") for an organization license and 2025 standardbred racing dates.

Each applicant submitted a written waiver of the contested case provisions of the Illinois Administrative Procedure Act (5 ILCS 100/1, et seq.) and elected to present evidence to the Illinois Racing Board ("Board") at an open meeting conducted on September 19, 2024 ("2025 Dates Hearing") at the Illinois Racing Board Chicago Offices, 555 W. Monroe St. The Board heard testimony from witnesses for each of the applicants and considered the applications and exhibits submitted by each of them. In addition, the Board heard testimony from representatives of the Illinois Horsemen's Benevolent and Protective Association ("IHBPA"), the Illinois Thoroughbred Horsemen's Association ("ITHA"), and the Illinois Harness Horsemen Association ("IHHA"). At the 2025 Dates Hearing, the Board voted on the applications for organization licenses and race dates for 2025.

It is the public policy of this State to: (a) support and enhance Illinois' horse racing industry, which is a significant component within the agribusiness industry; (b) ensure Illinois' horse racing industry remains competitive with neighboring states; (c) stimulate growth within Illinois' horse racing industry, thereby encouraging new investment and development to produce additional tax revenues and to create additional jobs; (d) promote the further growth of tourism; (e) encourage

the breeding of thoroughbred and standardbred horses in Illinois, and (f) ensure that public confidence and trust in the credibility and integrity of Illinois horse racing operations and the regulatory process is maintained. (230 ILCS 5/1.2).

In granting organization licenses and allocating dates for horse race meetings¹, Section 20(e-5) of the Illinois Horse Racing Act of 1975 ("Act") vests the Board with the discretion to determine an overall racing schedule which is conducive to the best interest of the sport of Illinois horse racing and the Illinois public. (230 ILCS 5/20(e-5)). In making this determination, the Board must consider the following factors enumerated in Section 20(e-5):

- The character, reputation, experience, and financial integrity of the applicant and of any other person that controls such applicant, directly or indirectly;
- The facilities or proposed facilities for the conduct of horse racing;
- The total revenue to be derived by the State and horsemen from the applicant conducting a race meeting (without regard to Section 32.1);
- The good faith affirmative action plan of each applicant to recruit, train and upgrade minorities in all employment classifications;
- The applicant's financial ability to purchase and maintain adequate liability and casualty insurance;
- The applicant's proposed promotional and marketing budget and prior year's promotional and marketing activities and expenditures for those activities;
- Any agreement among applicants for the issuance of racing dates; and,
- The extent to which applicants meet or exceed other standards adopted by the Board. Id.

The Board has carefully reviewed each of the applications, exhibits, and supplemental information submitted by the applicants; all the testimony and evidence; and the Board has officially noticed other materials in its possession including, but not limited to, the Board's Annual Reports, past Dates Orders, and the 2025 Race Dates Staff Report. With respect to each application,

¹ "Horse race meeting" or "race meeting" or "meeting" shall mean the whole period of time, whether consecutive dates or those instances where nonconsecutive dates are granted, for which an organization license to race has been granted to any one organization licensee by the Board. (230 ILCS 5/3.07).

the Board has considered all the statutory criteria listed in Section 20(e-5) of the Act. Being fully advised in the premises, the Board makes the following findings of fact and conclusions of law:

- Each applicant demonstrated the financial ability to purchase the necessary casualty and liability insurance. (2025 Apps., Ex. 10).
- 2) The following applicants own or have a lease for the possession of the following racetracks:
 - a. Fairmount Park, Inc.

Fairmount Park

b. Hawthorne Race Course, Inc.

Hawthorne Race Course

c. Suburban Downs, Inc.

Hawthorne Race Course

(2025 Apps, Ex. 2(c)).

- None of the applicants are in default in the payment of any obligation or debt due the State. (2025 Apps., Ex. 1(1)).
- 4) Fairmount Park is located more than 225 miles from the racetracks at which all other applicants seek to conduct race meetings.
- Each applicant submitted a summary of its workforce and affirmative action plan to recruit, train and promote persons with disabilities, female and minority employees. (2025 Apps., Ex. 14); (Staff Report, Tab 8).
- 6) The racing dates awarded by the Board for 2024 were as follows²:

Hawthorne Race Course - 78 live thoroughbred programs and 366 host programs.

- March 23 through June 1, racing 2 days per week on Saturdays and Sundays;
- June 2 through October 13, racing 3 days per week on Thursdays, Saturdays and Sundays;
- Post times on Thursdays at 6:30 PM, and on Saturdays and Sundays at 2:50 PM.

² Actual live programs were amended by subsequent Board action.

<u>Fairmount Park</u> - 62 live thoroughbred programs.

- April 16 through November 16, racing two days per week on Tuesdays and Saturdays;
- Post times on Tuesdays at 1:00PM, and Saturdays at 7:30PM, with the exception of Saturday, May 4 at 1:00 PM.

<u>Suburban Downs</u> - 46 live harness programs and 366 host programs.

- January 1 through February 12, racing 2 nights per week on Sundays and Mondays;
- October 19 through December 30, racing 3 nights per week on Saturdays, Sundays and Mondays;
- Post times of 7:20 PM, with the exception of Sunday, February 11 at 2:00 PM.

(2024 Dates Order, Par. 34-36).

7) The average daily handle (live and simulcast), State revenue generated, commingled handle (e.g., out-of-state handle on Illinois races) at each 2024 race meeting through August 31, 2024, are set forth below:

THOROUGHBRED	Average Daily Handle	Average Daily State Gov. Revenue*	Average Commingled Handle**
Fairmount Park Hawthorne Race Course	\$125,612 \$127,200	\$1,884 \$1,908	\$469,538 \$1,367,905
STANDARDBRED Suburban Downs	\$62,365	\$935	\$485,213

^{*}Reflects only the 1.5 percent pari-mutuel tax and not local government revenue.

(Staff Report, Tab 3).

- The Board considered the total revenue to be derived by the State and horsemen from the conduct of race meetings, without regard to Section 32.1 of the Act (pari-mutuel tax credit due to paid real estate taxes). Purses earned are a statutory percentage of, and proportionate to, handle generated. (230 ILCS 5/26, 26.2, 29).
- 9) Consideration of Financial Integrity. The Board carefully considered the financial

^{**}The State of Illinois does not generate revenue on commingled handle.

integrity of each applicant. In doing so, the Board took into consideration the economic climate in which the applicants, equine and agricultural participants, and the Board all must operate. The decline in handle and revenues from wagering since 1997 has caused concern over the financial health of each applicant. (2000-23 Annual Reports).

In assessing the financial integrity of the applicants, the Board has reviewed each applicants' independently audited financial statements (2025 Apps., Ex. 2(a)); (Staff Report, Tab 5). The Board also considered a Financial Analysis of each applicant by IRB's Chief Fiscal Officer, Vitto Ezeji-Okoye, as well as the General Financial Statement Review Checklist ("Checklist"), which is a summary of the information contained in each applicant's financial statements (Staff Report, Tab 5). The Checklist includes a Z-score calculation for each applicant, of which the Board took official notice. ld. A Z-score is a tool used to determine the potential risk of a business filing bankruptcy. Id. The Z-score factors in components of debt, equity, assets, and liabilities to determine a final Z-score. Id. The Z-score is then compared to historical information to evaluate the potential of bankruptcy. Id. A safe Z-score is greater than 2.60 with the potential for bankruptcy reflected by a score less than 1.10. Id. The Z-score does not account for collateral or pledged assets that are not reflected on an entity's balance sheet. *Id.* Hawthorne's current year (2023) Z-score is -10.78 compared to its prior year (2022) Z-score of -10.81; Fairmount 3.68, compared to 6.32; and SDI 6.82, compared to 9.96. Id.

With respect to Hawthorne's negative 10.78 (-10.78) Z-score for calendar year 2023, the Board notes Hawthorne's independent auditors determined that Hawthorne met its financial reporting requirements. (2025 Apps., Ex. 2(a)).

10) Members of the Board have visited each Illinois racetrack and are familiar with the

facilities and accommodations of each applicant. The Board notes the following about Illinois' two racetracks:

Fairmount Park

- a) Fairmount Park has a one-mile dirt course and utilizes the Fontana Safety rail, which is preferred by thoroughbred jockeys.
- b) Fairmount's public facilities and accommodations are adequate.
- c) Fairmount's backside facilities are adequate.
- d) Fairmount has sufficient stall space to accommodate all race dates requested.

Hawthorne Race Course

- a) Hawthorne's accommodations for the public are adequate for all weather conditions.
- b) Hawthorne Race Course has a one-mile dirt course, equipped with lights, and a 7/8-mile turf course, which is ideal for thoroughbred racing.
- c) Hawthorne uses a removable, modified Fontana safety rail system for thoroughbred racing and the "hubless hubrail" for standardbred racing. Thoroughbred jockeys prefer the Fontana safety rail and standardbred drivers prefer the hubless hubrail.
- d) Hawthorne's backside facilities and accommodations are adequate for all weather conditions.
- e) Hawthorne has sufficient stall space to accommodate all race days requested.

STANDARDBRED

- Suburban Downs, Inc. at Hawthorne Race Course in Stickney, Illinois has been in the standardbred horse racing business on and off since 1956. Hawthorne Race Course has a one-mile limestone course, which is excellent for standardbred racing.
- 12) Tim Carey, President, and John Walsh, General Manager, of Suburban Downs, Inc. testified on behalf of SDI at Hawthorne regarding race dates at SDI for 2025. (9/19/24 Tr., 104-110; 130-139; 153-156). Mr. Carey testified, "As is clear from the last few years, developing a calendar for both thoroughbreds and standardbreds when racing is

- only available at one track requires extraordinary compromise between all parties involved. We must take into consideration the availability of horses, the ability of horses to fill races at different times of the year, competition from other tracks for each breed, as well as the general interest from the betting public." *Id.* at 104-105.
- Jeff Davis, President of the IHHA, and Tony Somone, Executive Director of the IHHA, provided testimony on behalf of the IHHA. *Id.* at 111-130; 139-141; 142-152. In response to the supplemental calendar that SDI presented at the 2025 Dates Hearing and the possibility of the Board increasing the number of race dates from 36, Mr. Davis testified "We need more weeks, not days." *Id.* at 139. Mr. Somone and Mr. Davis testified that the IHHA and SDI do not have a written contract for 2025 yet, nor do they have an agreement to allow a lesser schedule than 5 days per week and fewer than 9 races per day under Section 3.075 of the Act. *Id.* at 124; 145; 152.
- In its 2025 applications, SDI and Hawthorne proposed a joint marketing and promotions budget of \$925,000. (SDI App., Ex. 13); (Staff Report, Tab 7). In 2023, actual marketing expenditures were \$818,476. *Id.* As of June 30, 2024, actual marketing expenditures for 2024 are \$407,482. *Id.*
- For 2025, SDI presented a supplemental calendar at the 2025 Dates Hearing and requested 36 nights of standardbred racing to be conducted at Hawthorne Race Course. From January 4 through February 9, racing 2 nights per week on Saturdays and Sundays; and November 7 through December 28, racing 3 nights per week on Fridays, Saturdays, and Sundays. Post times of 7:10 PM. (SDI App., Pg. 1) (Staff Report, Tab 1) (SDI Supp. Calendar).

THOROUGHBRED

16) Fairmount Park, located in Collinsville, Illinois provides thoroughbred racing

- opportunities for downstate Illinois horsemen and racing fans.
- Melissa Helton, President of Fairmount Park, testified on behalf of Fairmount regarding their application. (9/19/24 Tr., 49-59). Ms. Helton testified that there is an agreement with the horsemen for 55 live race days for 2024. *Id.* at 51.
- Under Section 26(g)(7.1) of the Act, Fairmount must apply for at least as many live racing days as it conducted in calendar year 2000 to qualify for thoroughbred purses from simulcast and inter-track wagering. (230 ILCS 5/26(g)(7.1)). Fairmount has met this requirement by requesting 150 race dates for 2025. (Fairmount App. Pg. 1). The statute does not, however, require the Board to award any specific number of live racing days to Fairmount. (230 ILCS 5/26(g)(7.1)).
- 19) Section 20(e-3) of the Act states that the Board shall award a racetrack in Madison County, for calendar year 2020 and thereafter, racing dates and the organization licensee, Fairmount Park, shall run at least 700 thoroughbred races. However, pursuant to Section 20 (e-4.5) of the Act, the Board may decrease the number of racing days without affecting an organization licensee's ability to conduct gaming if there is an agreement between an organization licensee and the breed association that is applicable to the involved live racing guarantee, or the horse population or purse levels are insufficient to provide the number of racing opportunities required in the Act. (230 ILCS 5/20(e-4.5)). As they have done for the last seventeen years, Fairmount and the IHBPA submitted a joint request for 2025 thoroughbred race dates. (Fairmount 8/23/24 Ltr.). Jim Watkins, President of Illinois HBPA provided testimony in support of Fairmont's dates proposal. (9/19/24 Tr., 59-63). The joint Fairmount Park and IHPBA letter dated August 23, 2024, expressed an agreement between the parties for 55 days of live racing with a minimum of 7 races per day. (Fairmount 8/23/24 Ltr.). The IHBPA and

Fairmount agreement to conduct fewer than 100 live days of racing at Fairmount in 2025 allows Fairmount to qualify for an inter-track wagering license and inter-track wagering location licenses pursuant to Section 26(h)(1)(iii)(B) of the Act. (9/19/24 Tr., 60-63); (Fairmount 8/23/24 Ltr); (Staff Report, Tab 1). Fairmount and the IHBPA agreed that a schedule of 55 days of racing is one that they can reasonably expect to run in 2025. (9/19/24 Tr., 51; 61-62).

- After reviewing this joint letter dated August 23, 2024, and hearing testimony the Board finds: (1) as of August 18, 2024, Fairmount reported that the purse account had a balance of \$535,577.49; and (2) Fairmount Park and the IHBPA agree that 100 days of racing with seven races per day is not feasible for 2025. (Fairmount 8/23/24 Ltr.) (9/19/24 Tr., 158). The Board determines that the agreement between IHBPA and Fairmount does not compromise the integrity of the sport of horse racing and satisfies the statutory requirements of the Act.
- Pursuant to Section 26(h)(1)(iii)(C) of the Act, the Board finds that due to inadequate level of purses and horse population, that extraordinary circumstances exist, and that it is in the best interests of the sport of Illinois horse racing and the Illinois public to conduct fewer than 100 live days of racing at Fairmount. (9/21/23 Tr., 158); (Fairmount 8/23/24 Ltr); (Staff Report, Tab 1).
- In its 2025 application, Fairmount proposed a marketing and promotions budget of \$275,000, noting the amount may change depending on the outcome of the pending acquisition of Fairmount. (Fairmount App., Ex. 13); (Staff Report, Tab 7). In 2023, actual marketing expenditures were \$225,711. *Id*.
- 23) For 2025, Fairmount has requested 55 thoroughbred race dates, April 22 through October 28, racing two days per week on Tuesdays and Saturdays. Post times on

- Tuesdays at 1:00 PM, and Saturdays at 7:30 PM, with the exception of Saturday, May 3 at 1:00 PM. (Fairmount 8/23/24 Ltr); (Staff Report, Tab 1); (Fairmount Calendar).
- 24) Hawthorne Race Course in Stickney, Illinois has been in the thoroughbred horse racing business for 114 years. Hawthorne Race Course has a one-mile dirt course and a 7/8-mile turf course, which are both excellent for thoroughbred racing.
- Tim Carey, President, John Walsh, General Manager, and Edward Winkofsky, 25) Regulatory Counsel, of Hawthorne Race Course made a presentation on behalf of Hawthorne Race Course, (9/19/24 Tr., 63-81). Mr. Carey testified, "...with regards to our proposed 2025 schedule, we are maintaining the total number of thoroughbred race days as we requested for this year, starting again during the second to last weekend of March, but now running through the Breeders Cup weekend..." Id. at 68. Mr. Carey further stated, "...we're adding a new race day, or evening, I should say, on Monday nights. Per discussions with the horsemen, we're hopeful that we'll have the horse population to warrant racing three days per week in August, September, and October and we chose Monday for two reasons: One, there's no racing on Mondays, which means horsemen will not need to arrive very early in the morning... Secondly, we would like to be innovative. We would like to think that Illinois racing can stand out on a Monday night, a nontraditional time for thoroughbred racing." Id at 68-69. When asked about racing on Thursdays instead of their requested Saturdays, Mr. Carey stated, "...we could work with that, yes." *Id* at 81.
- Chris Block and David McCaffrey provided testimony on behalf of the ITHA. *Id.* at 82-103; 151-153. Mr. McCaffrey testified that the ITHA and Hawthorne have a written contract for 2025. *Id.* at 82. Block also testified that the "extra weeks in October gives us more turf racing...And then the local horsemen have that extended time to run..."

- *Id.* At 152. Block further testified that running through October was critically important. *Id.* At 153.
- In their 2025 applications, Hawthorne and SDI proposed a joint marketing and promotions budget of \$925,000. (Hawthorne App., Ex. 13); (Staff Report, Tab 7). In 2023, actual marketing expenditures were \$818,476. *Id.* As of June 30, 2024, actual marketing expenditures for 2024 are \$407,482. *Id.*
- For 2025, Hawthorne has requested 80 thoroughbred race dates, March 22 through August 2, racing 2 days per week on Saturdays and Sundays. August 3 through November 3, racing 3 days per week on Sundays, Mondays and Saturdays. Post times on Sundays and Saturdays at 2:10PM, and on Mondays at 5:20 PM. (Hawthorne App., Pg. 1); (Staff Report, Tab 1); (Hawthorne Calendar).

HOST TRACK

- "Host track" is defined in Section 3.075(a) of the Act. (230 ILCS 5/3.075(a)). Section 3.075(a) states that an Organization Licensee³ can be eligible for simulcast host track status if racing fewer than five (5) days per week and fewer than nine (9) races per day if it is the result of
 - (1) weather, unsafe track conditions, or other acts of God; (2) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, and standardbred drivers who race at that organization licensee's race meeting, with the Board's consent; or (3) a decision by the Board after public hearing (in which the associations representing the owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's race meeting shall participate) either at the time racing dates are awarded or after those dates are awarded by supporting financial data as requested by the Board, stating that the organization licensee has and will continue to incur significant financial losses.

Id.

³ "Organization Licensee" means any person receiving an organization license from the Board to conduct a race meeting or meetings. (230 ILCS 5/3 09).

Hawthorne and SDI have requested host track status for the entire year in 2025. Hawthorne has a contract with the ITHA that expressly allows for racing fewer than five days a week and nine races per day. (9/19/24 Tr., 78, 82). SDI does not have a written contract with the IHHA, nor do SDI and IHHA have an agreement to allow a lesser schedule than 5 days a week and fewer than 9 races per day. *Id.* at 124, 145, 152. However, Mr. Davis testified, "So I'd want to qualify that and say we don't expect five days a week, nine races a day. We expect it to be less than that..." *Id.* at 144. At the Board's request, SDI provided financial documentation including the status of the Standardbred purse account, accompanied by a petition stating that SDI would be severely damaged racing at least five days a week with no fewer than 9 races per day. (SDI Petition). Additionally, Mr. Carey testified that without host track status, SDI would be impacted negatively financially, SDI would not be able to pay purses due to the negative impact on the purse account, and there would be no harness racing in Illinois. *Id.* at 155-156.

30) After reviewing the applications for organization licensees, hearing testimony from the organization licensee applicants and the respective horsemen's organizations at the 2025 Dates Hearing, and reviewing SDI's petition and accompanying financial documentation provided by SDI at the request of the Board, including status of the Standardbred purse account, as it relates to host track status pursuant to Section 3.075 of the Act, the Board finds the conditions are present to allow a lesser schedule of live racing than five days per week and nine races per day. *Id.* at 159; 160.

RACE DATES

The Board has considered each of the applications consistent with the factors enumerated in Section 20(e-5) of the Act. (230 ILCS 5/20(e-5)). Considering all of the

evidence, the Board finds that its proposed schedule is necessary to sustain and promote Illinois' horse racing industry; ensure Illinois' horse racing industry remains competitive with neighboring and other states; to ensure the integrity of Illinois' horse racing; and, to serve the best interests of the Illinois public. (230 ILCS 5/21(b)). Consistent with its obligation to act in the best interest of the sport of Illinois horse racing and the Illinois public, the Board determines the overall schedule enhances and supports Illinois' horse racing industry, ensures that Illinois' horse racing industry remains competitive with neighboring and other states, promotes tourism, stimulates growth within Illinois' horse racing industry, encourages the breeding of horses in Illinois, and ensures public confidence and trust in the credibility and integrity of Illinois' horse racing operations. Further, the Board finds that regulatory process is maintained based on the applications, exhibits, and testimony.

- 32) The Board recognizes Hawthorne, Fairmount and SDI presented schedules for 2025 race dates with the goal of ensuring the best interests of Illinois horse racing.
- 33) Section 21(b) of the Act provides in pertinent part:

[t]he Board may exercise discretion in granting racing dates to qualified applicants different from those requested by the applicants in their applications. However, if all eligible applicants for organization licenses whose tracks are located within 100 miles of each other execute and submit to the Board a written agreement among such applicants as to the award of racing dates, including where applicable racing programs, . . . the Board may grant such dates and programs to such applicants as so agreed by them if the Board determines that the grant of these racing dates is in the best interests of racing. The Board shall treat any such agreement as the agreement signatories' joint and several applications for racing dates during the term of the agreement.

(230 ILCS 5/21(b)).

The Board exercised its discretion to grant racing schedules in the best interests of Illinois horse racing for 2025.

IT IS HEREBY ORDERED FOR CALENDAR YEAR 2025:

- Fifty-five (55) days of thoroughbred racing are allotted to Fairmount Park, Inc. to be conducted at Fairmount Park from April 22 through October 28, racing two days per week on Tuesdays and Saturdays; Post times on Tuesdays at 1:00 PM, and Saturdays at 7:30 PM, with the exception of Saturday, May 3 at 1:00 PM. (9/19/24 Tr., 157). Fairmount shall card no less than seven races per race program. *Id*.
- Eighty (80) days of thoroughbred racing are allotted to Hawthorne Race Course, Inc. to be conducted at Hawthorne Race Course, and Hawthorne is awarded 365 total host programs. (9/19/24 Tr., 158). Dark host time, no live thoroughbred racing, January I through March 19. *Id.* Hawthorne is awarded live racing dates March 20 through July 31, racing 2 days per week on Thursdays and Sundays, and Saturdays on May 3, May 17, and June 7, but not on the following Thursdays: May I, May 15, and June 5; August 3 through November 3, racing 3 days per week on Sundays, Mondays, and Thursdays; Post times on Thursdays and Sundays at 2:10 PM, and on Mondays at 5:20 PM. *Id.* at 158-159.
- Forty (40) nights of standardbred racing are allotted to Suburban Downs Inc. to be conducted at Hawthorne Race Course, and Suburban Downs is awarded 365 total host programs. (9/19/24 Tr. 159). SDI is awarded live racing dates January 4 through February 23, racing 2 nights per week on Saturdays and Sundays; November 7 through December 28, racing 3 nights per week on Fridays, Saturdays, and Sundays; Post times of 7:10 PM. *Id.* at 159-160.
- No Organization Licensee receiving racing dates pursuant to this order shall be deemed to have a vested interest, property right or future expectation to receive an organization license in any subsequent year as a result of the granting of an organization license for

- the calendar year 2025. (230 ILCS 5/20(f)).
- After reviewing the applications for organization licensees and after hearing testimony from the organization licensee applicants and their respective horsemen's organizations as it relates to host track status pursuant to Section 3.075 of the Illinois Horse Racing Act, the Board finds that the conditions are present to allow a lesser schedule of live racing than 5 days per week and 9 races per day. (9/19/24 Tr., 159; 160).
- 39) Each Organization Licensee shall adhere to their published post times for each race, except when minor adjustments are necessary; provided, however, reasonable advance written notice of such change is sent to the Board, Executive Director, Pari-Mutuel Director, and the Stewards. (9/19/24 Tr., 160).
- 40) Each Organization Licensee shall maintain an open backstretch for the entirety of their race meet and sufficient temporary living units for backstretch workers and stall space to accommodate horses for all race dates awarded. *Id.* Temporary living units shall be consistent with the applicable state and local occupancy statutes and ordinances. *Id.*
- 41) Each Organization Licensee shall have a written contract with their respective horsemen's association no later than ninety (90) days before the commencement of their respective race meeting. *Id.* If no agreement is reached by the 90-day deadline, the Organization Licensee shall immediately notify the Board's Executive Director who shall notify the Board's Chairman, who will either serve as a mediator or designate a mediator for the resolution of the dispute. *Id.*
- Board staff may provide separately a list of general maintenance items that must be completed; property, plant or equipment obtained and/or installed; or services provided, which in the sole discretion of Board staff, is required to conduct, regulate, or promote

horse racing at its facilities.⁴ *Id*. Each Organization Licensee must have the work completed, items obtained and/or installed, or services implemented by the deadline set by Board staff and to its sole satisfaction, including any written extensions. *Id*.

- Each Organization Licensee shall establish and maintain security staffing at a level that is satisfactory to the Board and ensure compliance with the Act and the Board's Rules, including, but not limited to, Section 15(a) of the Act and Sections 502.30, 1408.60 and 1424.270 of the Board's Rules. *Id.*; (230 ILCS 5/15(a)); (11 III. Admin. Code 502.30, 1408.60, and 1424.270).
- Each Organization Licensee shall furnish to the Board annually the following inspection reports:
 - a. A report from the Health Department of the municipality in which the track is located, or the Health Department of the County or State if the municipality lacks jurisdiction. This inspection report shall include, but not be limited to, an inspection of kitchen and concession equipment, water supply, sewage, drainage, housing and sanitation facilities of both the backside and the public areas. This report shall state that the facilities inspected at the particular track are in satisfactory compliance with the applicable health code provisions.
 - b. A report from the Building Department of the municipality in which the track is located, or the Health Department of the County or State if the municipality lacks jurisdiction, stating that all the buildings located on the physical plant of the particular track are in satisfactory compliance with the applicable building code provisions.
 - c. A satisfactory report from the State Fire Marshal's Office. This report shall detail any corrective action required in the areas of fire prevention, detection, suppression, construction, or health and safety addressed by the State Fire Marshal, the Board's Fire Safety rules (11 III. Adm. Code 403), or any state statutes which may be applicable. If the track appeals the findings of the Office of the State Fire Marshal, a copy of said appeal shall be filed with the Board in lieu of the Statement of Satisfactory Compliance. All tracks shall keep Board staff apprised of the status of any appeals.
 - d. Copies of all interim inspection reports, citing code and fire rule violations, if any, shall be submitted to the Board by the Organization Licensee within three (3) working days of receipt by the Organization Licensee. In the event of successive

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⁴ "Facilities" means the offices, racetracks and all related grounds and structures, and other building improvements or fixtures associated with the activities of a licensee under this Act. (230 ILCS 5/3.21).

race meetings of the same breed at the same track, only the first Organization Licensee need submit the inspection reports required in this paragraph, unless any applicable rules require additional inspections.

(9/19/24 Tr., 160).

- 45) Prior to the issuance of an organization license, each Organization Licensee (including inter-track wagering licensees, when applicable) shall file an admission tax bond in the amount of \$25,000, and a pari-mutuel tax bond in the amount of \$500,000 as required under section 230 ILCS 5/27(d). Said bonds shall be filed with the Board not less than 20 calendar days prior to each applicant's race meeting. *Id.*; (230 ILCS 5/20(h)).
- Each Organization Licensee, within 10 (ten) days of receipt of this final executed Dates Order, shall file with the Board an acceptance of the award, and pay to the Board one hundred ten dollars (\$110) for each racing date awarded. (230 ILCS 5/20(h)); (9/19/24 Tr., 160).
- Each thoroughbred Organization Licensee shall submit its proposed stakes schedule to the Board, including proposed purses, at least sixty (60) days prior to the first (1st) live race day of its race meeting. (9/19/24 Tr., 160).
- Each Licensee⁵ shall make pari-mutuel settlements for a fifteen (15) day cycle. Parimutuel settlements include, but are not limited to, track commissions, purse commissions, breakage, surcharges, and interstate host fees. *Id.* Custodial outs shall be settled on a monthly cycle unless an alternative schedule is mutually agreed upon by the licensees. *Id.*
- 49) The Board's Executive Director shall have the authority to approve the vacating of awarded live racing dates at the request of the organizational licensee when exigent circumstances are present. *Id.* The Executive Director also has the authority to reassign

[&]quot;Licensee" means an individual organization licensee, an inter-track wagering licensee, an inter-track wagering location licensee, or an advance deposit wagering licensee, as the context of this Act requires. (230 ILCS 5/3.20).

- such vacated dates within the organizational licensee's meet but only on a day before the next scheduled Board meeting. *Id.* Any request to reassign a vacated date after the next scheduled Board meeting must be approved by the Board. *Id.*
- All organization licensees and inter-track licensees shall pay the statutorily required admission taxes on all paid and unpaid admissions, unless specifically exempted pursuant to Section 25(a) of the Illinois Horse Racing Act. *Id.*
- A completed audit of the financial transactions and condition of the Licensee's total operations, including presentation of a two (2) year comparative analysis, shall be received by the Board within one hundred twenty (120) days after the end of its fiscal year (e.g. April 29, 2025). *Id.*; (230 ILCS 5/9(g)).
- Each Organization Licensee shall submit its emergency medical services plan required pursuant to Board's Rules Sections 1305.140 or 1424.170 to the Board, for its approval, thirty (30) calendar days prior to the start of its race meeting. Each plan shall also be certified by the Illinois Department of Public Health, Division of Emergency Medical Services. (11 III. Admin. 1305.140, 1424.170); (9/19/24 Tr., 160).
- 53) Suburban Downs shall ensure a race secretary, licensed by the Board, is on-site and available during race dates or as prescribed by the Board of Stewards. *Id*.
- Fairmount Park shall ensure there are adequate starting gate personnel on hand for all race days as prescribed by the Board of Stewards. *Id*.
- Suburban Downs shall submit financial documentation, as required by Section 3.075 of the Illinois Horse Racing Act, by September 30, 2024, demonstrating that lack of interstate standardbred simulcasting will cause SDI to incur significant financial losses.

Id. at 160-161.6

The failure of any Organization Licensee to satisfy any of the requirements of this order 56)

to the Board staff's satisfaction may result in civil penalties being assessed against them,

rescission of their racing dates, and revocation of their organization license by the Board.

(230 ILCS 5/9(1)).

All notices required to be given pursuant to this Dates Order to the Board or its designee, 57)

shall be in writing and addressed to the Parties or their successors by sending via

electronic mail ("e-mail") transmission. Notices sent via e-mail, shall be effective as of

the date and time of the e-mail transmission when sent as follows:

Executive Director

e-mail: domenic.dicera@illinois.gov

with a copy to:

General Counsel

e-mail: lindsay.evans@illinois.gov

Attached as Appendix A and made a part hereof is a chart of the 2025 race dates 58)

awarded.

The Board's Commissioners approved the 2025 racing schedule by a vote of 7 to 1. 59)

(9/19/24 Tr., 162). The following Commissioners voted in favor of the schedule: Beiser,

Arroyo, Breuer, Gray, Laino, Reyes, and Schmidt. Id. at 161-162. Commissioner

Saccone voted against the schedule. *Id.* at 162.

This is a final administrative decision subject to the Administrative Review Law. (230 60)

ILCS 5/46). This decision may be challenged by the filing of an action for

6 The Board received the requested financial documentation and an accompanying Petition from Suburban Downs, Inc. outlining the financial harm that racing at least 5 days a week with no fewer than 9 races a day would pose, the effect of losing host status, and the status of the Standardbred purse account

19

- administrative review within thirty-five (35) days of deposit in the U.S. mail. (735 ILCS 5/3-103).
- This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one document. Signatures may be transmitted by e-mail, facsimile, or hard copy.
- Per 5 ILCS 100/10-50(b) and Board Rule 205.60, the Board and below parties of record to the 2025 Dates Hearing may be served with pleadings, notices, or service of process for any review or further proceedings, as follows:

Domenic DiCera, Executive Director Illinois Racing Board 555 W. Monroe Suite 1700-S Chicago, Illinois 60661

Melissa Helton, President Fairmount Park, Inc. 9301 Collinsville Road Collinsville, Illinois 62234

Tim Carey, President Hawthorne Race Course, Inc. Suburban Downs, Inc. 3501 South Laramie Avenue Cicero, Illinois 60804

[Signature Pages to Follow]

APPENDIX A

2025 LIVE RACING DATES SCHEDULE

TH	A	D	A	T	14	d	Н	R	D	F	n	
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	Host Days	Live	<u>Dark</u>
Hawthorne Race Course March 20 through July 31 August 3 through November 3	365	80	285
Fairmount Park April 22 through October 28	n/a	55	n/a
STANDARDBRED	Host Days	<u>Live</u>	<u>Dark</u>
Suburban Downs January 4 through February 23 November 7 through December 28	365	40	325

BOARD ORDER SIGNATURES RACING DATES FOR 2025

Daniel Beiser, Chairman

Heriberto Arroyo

Leslie Breuer

Marc Laino

Lydia Gray

Alyssa Murphy

Benjamin Reyes

Patricia Saccone

Michael Schmidt

Action taken by the Board at its

October 10, 2024, meeting

Domenic DiCera, Executive Director

OCTOBER 10, 2024

Date Executed

BOARD ORDER SIGNATURES RACING DATES FOR 2025

Daniel Beiser, Chairman		
Heriberto Arroyo		
Leslie Breuer		
Lydia Gray		
Marc Laino	e	
Alyssa Murphy		
Benjamin Reyes		
Patricia Saccone		Action taken by the Board at its
Michael Schmidt		October 10, 2024, meeting
		Domenic DiCera, Executive Director
		Date Evecuted