

ILLINOIS REGISTER
ILLINOIS RACING BOARD
NOTICE OF ADOPTED RULES

**PART 402
CONCESSIONAIRE RULES**

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Section 402.10 Definitions

The term "concessionaire" shall include an individual, firm, partnership, corporation, trustee or legal representative licensed to operate as a concessionaire to sell or provide food, beverages, programs, tip sheets or parking to the public at any race track in Illinois or intertrack wagering facility as defined in 11 Ill. Adm. Code 210.10.

Section 402.20 Occupation License

No concessionaire shall operate at any race track or intertrack wagering facility in Illinois without an occupation license duly issued by the Board.

Section 402.30 License Application

- a) An application for a license to operate as a concessionaire shall be made on forms furnished by the Board and shall be verified.
- b) One original and one executed copy of the application shall be filed with the Board.
- c) The applicant shall submit with the application all relevant contracts, including but not limited to contracts with suppliers, contracts with any and all racing associations, and instruments evidencing any indebtedness between the applicant or the owner of any beneficial interest in the applicant and any and all racing associations.

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- d) If circumstances change or events occur after the application is filed so that the application no longer presents the actual facts, the applicant shall submit an amended application correcting any incorrect statements.

Section 402.40 Time of Filing

- a) Application for an occupation license as a concessionaire shall be filed on or before 60 days prior to the opening of the racing meet at the race track or the intertrack wagering facility at which the concession is to be operated.
- b) The Board in its discretion, upon good cause shown, may act upon applications for an occupation license to operate as a concessionaire received subsequent to the dates specified in subsection (a).

Section 402.50 Necessity of License

No person shall conduct or operate a concession upon any race track grounds or intertrack wagering facility within the State of Illinois during any racing meet without first obtaining an occupation license from the Board.

Section 402.60 Application Contents, Substantial Owners

- a) Each application for an occupation license as a concessionaire shall be on forms prescribed by the Board. If the applicant is a corporation, the application shall disclose, among other things, the names and addresses of its directors, officers, and owners of substantial beneficial interest and shall state whether any of these individuals:
 - 1) has been convicted of a crime;
 - 2) has been found guilty of a violation of the Illinois Horse Racing Act of 1975 or the rules and regulations of the Board; or
 - 3) has had a permit or license to operate as a concessionaire at any race track or intertrack wagering facility in any other state suspended, revoked or denied.
- b) A person owning 5% or more of the equity of an applicant shall be considered a substantial owner for the purposes of this Section.

Section 402.70 Grounds for Denial

The Board may, in its discretion, refuse an occupation license to any person seeking to operate as a concessionaire:

- a) Who has been convicted of a crime;

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- b) Who is unqualified to perform the duties required of such applicant;
- c) Who fails to disclose or states falsely any information called for in the application;
- d) Who has been found guilty of a violation of the Act or of the rules and regulations of the Board; or
- e) Whose license or permit has been suspended, revoked or denied for just cause in any other state.

Section 402.90 Disclosure Statements, of Whom Required

On or before the date an application for an occupation license is required to be filed, all officers, directors, creditors and substantial owners of any beneficial interest in any concessionaire desiring to operate at any race track within the State of Illinois shall make written disclosure on forms prescribed by the Board for approval of their participation in racing in the State of Illinois. These forms shall be submitted under oath as prescribed in the form and shall be considered as part of the application for occupation license to operate as a concessionaire. A person owning 5% or more of the equity of an applicant to operate as a concessionaire shall be considered a substantial owner for the purpose of this Section. A person extending credit for more than one year or extending credit in excess of \$10,000 for less than one year but more than 30 days, shall be considered a creditor for the purposes of this Section.

Section 402.100 Disclosure by Corporations

Where a corporation owns 25% or more of the equity of an applicant to operate as a concessionaire, holders of 10% or more of its capital stock shall make written disclosure under these rules and regulations on the forms prescribed. However, this rule shall not apply to any corporation, the securities of which are registered with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the rules and regulations issued thereunder. Corporations qualifying under this exemption shall file with the Board copies of all papers filed with the Securities and Exchange Commission.

Section 402.110 Change of Owners, Directors, etc.

Within 15 days after election, appointment, acquisition of substantial ownership, or extending of credit, the Board shall be notified of the identity of each new officer, director, substantial owner, or creditor of a concessionaire. Each new officer, director, substantial owner, or creditor shall make a written disclosure to the Board on forms prescribed by the Board for approval of their participation in racing in Illinois.

Section 402.120 Observe Rules

Imposed on each concessionaire is the duty of obeying the applicable rules and regulations imposed by the Board under which the licenses are granted, the Board reserving the right

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to amend, alter or repeal any rule, regulation or condition herein imposed or to supplement said rules and regulations.

Section 402.140 License Deemed Personal

Licenses to operate as a concessionaire are deemed personal in nature and non-transferable, and will terminate upon a substantial change of ownership of the concessionaire, unless the Board has granted prior approval. The sale or transfer of 25% or more of the equity of a concessionaire shall be considered a substantial change of ownership. In acting upon a request for approval of a substantial change in ownership, the Board shall consider the same factors as it considers in the initial grant of an occupation license to a concessionaire.

Section 402.150 Penalties

- a) The Board may suspend or revoke any occupation license of any concessionaire:
 - 1) for violation of any of the provisions of the Illinois Horse Racing Act of 1975; or
 - 2) for violation of any of the rules or regulations of the Board; or
 - 3) for any cause which, if known to the Board, would have justified the Board in refusing to issue such occupation license; or
 - 4) for any other just cause. [230 ILCS 5/15(d)]
- b) The Board is vested with the power to impose civil penalties of up to \$5,000 against an individual and up to \$10,000 against a licensee for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to horse racing. [230 ILCS 5/9(l)]

Section 402.160 Political Contributions Prohibited

No concessionaire or officer, director or holder or controller of 5% or more legal or beneficial interest in any concession shall make any sort of gift or contribution of any kind or pay or give any money or other thing of value to any person who is a public official or a candidate or nominee for public office [230 ILCS 5/24(f)].

Section 402.170 Remedies

Any concessionaire aggrieved by any order of the Board may pursue any remedies before the Board available by law or rule to any other licensee.

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