



a California joint powers agency

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AGENDA
CALIFORNIA AUTHORITY OF RACING FAIRS
BOARD OF DIRECTORS
&
LIVE RACING COMMITTEE
CONCURRENT MEETING
JOE BARKETT, CHAIR
2:00 P.M., WEDNESDAY, SEPTEMBER 26, 2007

Notice is hereby given that concurrent meetings of the California Authority of Racing Fairs' Board of Directors and the Live Racing Committee will commence at 2:00 P.M. Wednesday, September 26, 2007. The meeting will be held at the Embassy Suites Hotel located at 211 East Huntington Drive, Arcadia California 91006

AGENDA

- I. Determination of date for next meeting
- II. Approval of Minutes from June 5
- III. Discussion and action, if any, on Legislative Matters, Referenda or Statewide Initiatives
- IV. Discussion and action, if any, on Recommendations from the CARF Strategic Planning Committee
- V. Discussion and action, if any, on Recommendations for Funding Allocations from the CDFA F&E Expenditure Plan for FY 2007-08, FY 2008-09 and Beyond
- VI. Discussion and action, if any, on Request from San Joaquin Fair
- VII. Review, discussion and action, if any, on Racing Dates in 2008, 2009 and Beyond
- VIII. Discussion and action, if any, on a JPA Policy Regarding Money Owed by a Member Fair to the Joint Powers Authority
- IX. Executive Director's Report

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AMENDED IN SENATE SEPTEMBER 7, 2007

AMENDED IN SENATE AUGUST 28, 2007

AMENDED IN ASSEMBLY JUNE 4, 2007

AMENDED IN ASSEMBLY MAY 23, 2007

AMENDED IN ASSEMBLY APRIL 11, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 765

Introduced by Assembly Member Evans

**(~~Coauthor: Assembly Member Torrico~~ Coauthors: Assembly
Members Ma, Plescia, Portantino, Price, and Torrico)**

**(Coauthors: Senators Denham, Florez, Negrete McLeod, Wyland, and
Yee)**

February 22, 2007

*An act to ~~add Section 19601.4 to~~ amend Section 19605.72 of, to
amend and repeal Sections 19411, 19590, and 19595 of, and to add
Sections 19601.4 and 19604 to, the Business and Professions Code,
relating to horse racing, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 765, as amended, Evans. Horse racing: ~~racetrack inclosures.~~

Existing law requires fairs and racing associations to pay a certain percentage of the handle from races to be paid to the state as license fees, and to pay other portions of the handle out for other purposes, as specified.

This bill would authorize certain fairs or associations, or combined entities, to contribute 1% of the total amount handled daily in

conventional and exotic pools for maintenance and improvements at a fair's racetrack inclosure, for those fairs that contribute. The money raised would be deposited into the Inclosure Facilities Improvement Fund, which would be created as a special fund in the State Treasury, and that money would be available upon appropriation by the Legislature in the annual Budget Act. The bill would direct the Secretary of Food and Agriculture to appoint a committee to advise on the administration of the funds raised pursuant to the provisions of the bill, and would require the secretary to report any allocations made pursuant to those provisions of the bill, as specified.

Under existing law, in addition to parimutuel wagering otherwise authorized, advance deposit wagering is authorized to be conducted, upon approval of the California Horse Racing Board. Provisions relating to the authorization of advance deposit wagering are to be repealed as of January 1, 2008.

This bill would extend that authorization indefinitely, and revise and recast provisions relating to advance deposit wagering, including clarifying terms, imposing requirements on advance deposit wagering providers, requiring the consent of a horsemen's organization before conducting advance deposit wagering on races conducted in this state, prescribing a process for hub fee agreements and disputes, and revising how the proceeds from advance deposit wagers are distributed. The bill would make additional conforming changes by deleting alternate provisions of law related thereto.

Under existing law, revenues distributed to the state as license fees from horse racing are required to be deposited in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes.

Because this bill would revise the amount of money deposited into, and distributed from, that fund, it would make an appropriation.

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. Section 19411 of the Business and Professions*
- 2 *Code, as amended by Section 1 of Chapter 198 of the Statutes of*
- 3 *2001, is amended to read:*

1 19411. "Parimutuel wagering" is a form of wagering in which
2 bettors either purchase tickets of various denominations, or issue
3 wagering instructions leading to the placement of wagers, on the
4 outcome of one or more horse races. ~~When the outcome of the~~
5 ~~race or races has been declared official, the~~ *The* association
6 distributes the total wagers comprising each pool, less the amounts
7 retained for purposes specified in this chapter, to winning bettors
8 *based on the official race results.*

9 ~~This section shall remain in effect only until 2008, and as of that~~
10 ~~date is repealed, unless a later enacted statute, that is enacted before~~
11 ~~January 1, 2008, deletes or extends that date.~~

12 *SEC. 2. Section 19411 of the Business and Professions Code,*
13 *as added by Section 1.5 of Chapter 198 of the Statutes of 2001, is*
14 *repealed.*

15 ~~19411. "Parimutuel wagering" is a form of wagering in which~~
16 ~~bettors either purchase tickets of various denominations on the~~
17 ~~outcome of one or more horse races. When the outcome of the~~
18 ~~race or races has been declared official, the association distributes~~
19 ~~the total wagers comprising each pool, less the amounts retained~~
20 ~~for purposes specified in this chapter, to winning bettors.~~

21 ~~This section shall become operative on January 1, 2008.~~

22 *SEC. 3. Section 19590 of the Business and Professions Code,*
23 *as amended by Section 4 of Chapter 505 of the Statutes of 2005,*
24 *is amended to read:*

25 19590. The board shall adopt rules governing, permitting, and
26 regulating parimutuel wagering on horse races under the system
27 known as the parimutuel method of wagering. Parimutuel wagering
28 shall be conducted only by a person or persons licensed under this
29 chapter to conduct a horse racing meeting, ~~and only within the~~
30 ~~enclosure and on the dates for which horse racing has been~~
31 ~~authorized by the board. Wagering instructions concerning funds~~
32 ~~held in an advance deposit wagering account shall be deemed to~~
33 ~~be issued within the licensee's enclosure or authorized by the~~
34 ~~board to conduct advance deposit wagering.~~

35 ~~This section shall remain in effect only until January 1, 2008,~~
36 ~~and as of that date is repealed, unless a later enacted statute, that~~
37 ~~is enacted before January 1, 2008, deletes or extends that date.~~

38 *SEC. 4. Section 19590 of the Business and Professions Code,*
39 *as added by Section 8 of Chapter 198 of the Statutes of 2001, is*
40 *repealed.*

1 ~~19590. The board shall adopt rules governing, permitting, and~~
 2 ~~regulating wagering on horse races under the system known as the~~
 3 ~~parimutuel method of wagering. Such wagering shall be conducted~~
 4 ~~only by a person licensed under this chapter to conduct a horse~~
 5 ~~racing meeting, and only within the enclosure and on the dates for~~
 6 ~~which horse racing has been authorized by the board. This section~~
 7 ~~shall become operative on January 1, 2008.~~

8 *SEC. 5. Section 19595 of the Business and Professions Code,*
 9 *as amended by Section 9 of Chapter 198 of the Statutes of 2001,*
 10 *is amended to read:*

11 19595. Any form of wagering or betting on the result of a horse
 12 race other than that permitted by this chapter is illegal. ~~Also illegal~~
 13 ~~is any wagering or betting on horse races outside an enclosure~~
 14 ~~where the conduct of horse racing is licensed by the board.~~
 15 ~~Wagering instructions concerning funds held in an advance deposit~~
 16 ~~wagering account shall be deemed to be issued within the licensee's~~
 17 ~~enclosure.~~

18 ~~This section shall remain in effect only until January 1, 2008,~~
 19 ~~and as of that date is repealed, unless a later enacted statute, that~~
 20 ~~is enacted before January 1, 2008, deletes or extends that date.~~

21 *SEC. 6. Section 19595 of the Business and Professions Code,*
 22 *as added by Section 9.5 of Chapter 198 of the Statutes of 2001, is*
 23 *repealed.*

24 ~~19595. Any form of wagering or betting on the result of a horse~~
 25 ~~race other than that permitted by this chapter is illegal. Also illegal~~
 26 ~~is any wagering or betting on horse races outside an enclosure~~
 27 ~~where the conduct of horse racing is licensed by the board.~~

28 ~~This section shall become operative on January 1, 2008.~~

29 SECTION 1.

30 *SEC. 7. Section 19601.4 is added to the Business and*
 31 *Professions Code, to read:*

32 19601.4. (a) Notwithstanding any other provision of law, a
 33 fair, combination of fairs, or an association conducting racing at
 34 a fair, may, after approval from the board, deduct an additional 1
 35 percent from the total amount handled daily in its conventional
 36 and exotic pools. The additional 1 percent shall be deposited into
 37 the Inclosure Facilities Improvement Fund, which is hereby created
 38 as a special fund in the State Treasury, the moneys of which are
 39 available upon appropriation by the Legislature in the annual
 40 Budget Act. Any moneys deducted from the handle pursuant to

1 this section shall be used solely for the purpose of facilities
2 maintenance and improvements at a fair's racetrack inclosure for
3 those fairs that contribute to, or for those fairs where an association
4 conducting racing at that fair contributes to, the Inclosure Facilities
5 Improvement Fund.

6 (b) The secretary shall appoint a committee of not more than
7 five and no fewer than three individuals with expertise in financing,
8 constructing, and managing horse racing facilities, to advise in the
9 administration of the funds. The secretary shall have oversight
10 over the committee. The secretary shall adhere to the same
11 oversight responsibilities as outlined in Section 19620 when
12 administering the funds contributed and disbursed pursuant to this
13 section.

14 (c) The secretary shall include in the annual expenditure plan
15 required pursuant to Section 19621 any allocations made pursuant
16 to this section.

17 (d) For purposes of this section, "secretary" means the Secretary
18 of Food and Agriculture.

19 *SEC. 8. Section 19604 is added to the Business and Professions*
20 *Code, to read:*

21 *19604. The board may authorize any racing association, racing*
22 *fair, betting system, or multijurisdictional wagering hub to conduct*
23 *advance deposit wagering in accordance with this section. Racing*
24 *associations, racing fairs, and their respective horsemen's*
25 *organizations may form a partnership, joint venture, or any other*
26 *affiliation in order to further the purposes of this section.*

27 (a) *As used in this section, the following definitions apply:*

28 (1) *"Advance deposit wagering" means a form of parimutuel*
29 *wagering in which a person residing within California or outside*
30 *of this state establishes an account with an ADW provider, and*
31 *subsequently issues wagering instructions concerning the funds*
32 *in this account, thereby authorizing the ADW provider holding the*
33 *account to place wagers on the account owner's behalf.*

34 (2) *"ADW provider" means a licensee, betting system, or*
35 *multijurisdictional wagering hub, located within California or*
36 *outside this state, that is authorized to conduct advance deposit*
37 *wagering pursuant to this section.*

38 (3) *"Betting system" means a business conducted exclusively*
39 *in this state that facilitates parimutuel wagering on races it*
40 *simulcasts and other races it offers in its wagering menu.*

- 1 (4) *“Breed of racing” means as follows:*
2 (A) *With respect to associations and fairs licensed by the board*
3 *to conduct thoroughbred, fair, or mixed breed race meetings,*
4 *“breed of racing” shall mean thoroughbred.*
5 (B) *With respect to associations licensed by the board to conduct*
6 *quarter horse race meetings, “breed of racing” shall mean quarter*
7 *horse.*
8 (C) *With respect to associations and fairs licensed by the board*
9 *to conduct standardbred race meetings, “breed of racing” shall*
10 *mean standardbred.*
11 (5) *“Contractual compensation” means the amount paid to an*
12 *ADW provider from advance deposit wagers originating in this*
13 *state. Contractual compensation includes, but is not limited to,*
14 *hub fee payments, and may include host fee payments, if any, for*
15 *out-of-state and out-of-country races. Contractual compensation*
16 *is subject to the following requirements:*
17 (A) *Excluding contractual compensation for host fee payments,*
18 *contractual compensation shall not exceed 6.5 percent of the*
19 *amount wagered.*
20 (B) *The host fee payments included within contractual*
21 *compensation shall not exceed 3.5 percent of the amount wagered.*
22 *Notwithstanding this provision, the host fee payment with respect*
23 *to wagers on the Kentucky Derby, Preakness Stakes, Belmont*
24 *Stakes, and selected Breeders’ Cup Championship races may be*
25 *negotiated by the ADW provider, the racing associations accepting*
26 *wagers on those races pursuant to Section 19596.2, and the*
27 *horsemen’s organization.*
28 (C) *In order to ensure fair and consistent market access fee*
29 *distributions to associations, fairs, horsemen, and breeders, for*
30 *each breed of racing, the percentage of wagers paid as contractual*
31 *compensation to an ADW provider pursuant to the terms of a hub*
32 *agreement with a racing association or fair when that racing*
33 *association or fair is conducting live racing shall be the same as*
34 *the percentage of wagers paid as contractual compensation to that*
35 *ADW provider when that racing association or fair is not*
36 *conducting live racing.*
37 (6) *“Horsemen’s organization” means, with respect to a*
38 *particular racing meeting, the organization recognized by the*
39 *board as responsible for negotiating purse agreements on behalf*
40 *of horsemen participating in that racing meeting.*

1 (7) "Hub agreement" means a written agreement providing for
2 contractual compensation paid with respect to advance deposit
3 wagers placed by California residents on a particular breed of
4 racing conducted outside of California. In the event a hub
5 agreement exceeds a term of two years, then an ADW provider,
6 one or more racing associations or fairs that together conduct no
7 fewer than five weeks of live racing for the breed covered by the
8 hub agreement, and the horsemen's organization responsible for
9 negotiating purse agreements for the breed covered by the hub
10 agreement shall be signatories to the hub agreement. A hub
11 agreement is required for an ADW provider to receive contractual
12 compensation for races conducted outside of California.

13 (8) "Hub agreement arbitration" means an arbitration
14 proceeding pursuant to which the disputed provisions of the hub
15 agreement pertaining to the hub or host fees from wagers on races
16 conducted outside of California provided pursuant to paragraph
17 (2) of subdivision (b) are determined in accordance with the
18 provisions of this paragraph. If a hub agreement arbitration is
19 requested, all of the following shall apply:

20 (A) The ADW provider shall be permitted to accept advance
21 deposit wagers from California residents.

22 (B) The contractual compensation received by the ADW provider
23 shall be the contractual compensation specified in the hub
24 agreement that is the subject of the hub agreement arbitration.

25 (C) The difference between the contractual compensation
26 specified in subparagraph (B) and the contractual compensation
27 determined to be payable at the conclusion of the hub agreement
28 arbitration shall be calculated and paid within 15 days following
29 the arbitrator's decision and order. The hub agreement arbitration
30 shall be held as promptly as possible, but in no event more than
31 60 days following the demand for that arbitration. The arbitrator
32 shall issue a decision no later than 15 days following the
33 conclusion of the arbitration. A single arbitrator jointly selected
34 by the ADW provider and the party requesting a hub agreement
35 arbitration shall conduct the hub agreement arbitration. However,
36 if the parties cannot agree on the arbitrator within seven days of
37 issuance of the written demand for arbitration, then the arbitrator
38 shall be selected pursuant to the Streamlined Arbitration Rules
39 and Procedures of the Judicial Arbitration and Mediation Services,
40 or pursuant to the applicable rules of its successor organization.

1 In making the hub agreement arbitration determination, the
2 arbitrator shall be required to choose between the contractual
3 compensation of the hub agreement agreed to by the ADW provider
4 or whatever different terms for the hub agreement were proposed
5 by the party requesting the hub agreement arbitration. The
6 arbitrator shall not be permitted to impose new, different, or
7 compromised terms to the hub agreement. The arbitrator's decision
8 shall be final and binding on the parties. If an arbitration is
9 requested, either party may bring an action in state court to compel
10 a party to go into arbitration or to enforce the decision of the
11 arbitrator. The cost of the hub agreement arbitration, including
12 the cost of the arbitrator, shall be borne in equal shares by the
13 parties to the hub agreement and the party or parties requesting
14 a hub agreement arbitration. The hub agreement arbitration shall
15 be administered by the Judicial Arbitration and Mediation Services
16 pursuant to its Streamlined Arbitration Rules and Procedures or
17 its successor organization.

18 (9) "Incentive awards" means those payments provided for in
19 Sections 19617.2, 19617.7, 19617.8, 19617.9, and 19619. The
20 amount determined to be payable for incentive awards under this
21 section shall be payable to the applicable official registering
22 agency and thereafter distributed as provided in this chapter.

23 (10) "Licensee" means any racing association or fair licensed
24 to conduct a live racing meet in this state, or affiliation thereof,
25 authorized under this section.

26 (11) "Market access fee" means the amount of advance deposit
27 wagering handle remaining after the payment of winning wagers,
28 and after the payment of contractual compensation, if any, to an
29 ADW provider. Market access fees shall be distributed in
30 accordance with subdivision (f).

31 (12) "Multijurisdictional wagering hub" means a business
32 conducted in more than one jurisdiction that facilitates parimutuel
33 wagering on races it simulcasts and other races it offers in its
34 wagering menu.

35 (13) "Racing fair" means a fair authorized by the board to
36 conduct live racing.

37 (14) "Zone" means the zone of the state, as defined in Section
38 19530.5, except as modified by the provisions of subdivision (f) of
39 Section 19601. For these purposes, the central and southern zones
40 shall together be considered one zone.

- 1 ***(b) Wagers shall be accepted according to the procedures set***
2 ***forth in this subdivision.***
- 3 ***(1) No ADW provider shall accept wagers or wagering***
4 ***instructions on races conducted in California from a resident of***
5 ***California unless all of the following conditions are met:***
- 6 ***(A) The ADW provider is licensed by the board.***
- 7 ***(B) A written agreement allowing those wagers exists with the***
8 ***racing association or fair conducting the races on which the***
9 ***wagers are made.***
- 10 ***(C) The agreement referenced in subparagraph (B) shall have***
11 ***been approved in writing by the horsemen's organization***
12 ***responsible for negotiating purse agreements for the breed on***
13 ***which the wagers are made in accordance with the Interstate***
14 ***Horseracing Act (15 U.S.C. Sec. 3001, et seq.), regardless of the***
15 ***location of the ADW provider, whether in California or otherwise,***
16 ***including, without limitation, any and all requirements contained***
17 ***therein with respect to written consents and required written***
18 ***agreements of horsemen's groups to the terms and conditions of***
19 ***the acceptance of those wagers and any arrangements as to the***
20 ***exclusivity between the host racing association or fair and the***
21 ***ADW provider. For purposes of this subdivision, the substantive***
22 ***provisions of the Interstate Horseracing Act shall be taken into***
23 ***account without regard to whether, by its own terms, that act is***
24 ***applicable to advance deposit wagering on races conducted in***
25 ***California accepted from residents of California.***
- 26 ***(2) No ADW provider shall accept wagers or wagering***
27 ***instructions on races conducted outside of California from a***
28 ***resident of California unless all of the following conditions are***
29 ***met:***
- 30 ***(A) The ADW provider is licensed by the board.***
- 31 ***(B) There is a hub agreement between the ADW provider and***
32 ***one or both of (i) one or more racing associations or fairs that***
33 ***together conduct no fewer than five weeks of live racing on the***
34 ***breed on which wagering is conducted during the calendar year***
35 ***during which the wager is placed, and (ii) the horsemen's***
36 ***organization responsible for negotiating purse agreements for the***
37 ***breed on which wagering is conducted.***
- 38 ***(C) If the parties referenced in clauses (i) and (ii) of***
39 ***subparagraph (B) are both signatories to the hub agreement, then***

1 no party shall have the right to request a hub agreement
2 arbitration.

3 (D) If only the party or parties referenced in clause (i) of
4 subdivision (B) is a signatory to the hub agreement, then the
5 signatories to the hub agreement shall, within five days of execution
6 of the hub agreement, provide a copy of the hub agreement to the
7 horsemen's organization responsible for negotiating purse
8 agreements for the breed on which wagering is conducted for each
9 race conducted outside of California on which California residents
10 may place advance deposit wagers. Prior to receipt of the hub
11 agreement, the horsemen's organization shall sign a nondisclosure
12 agreement with the ADW provider agreeing to hold confidential
13 all terms of the hub agreement. If the horsemen's organization
14 wants to request a hub agreement arbitration, it shall send written
15 notice of its election to the signatories to the hub agreement within
16 10 days after receipt of the copy of the hub agreement, and shall
17 provide its alternate proposal to the hub and host fees specified
18 in the hub agreement with that written notice. If the horsemen's
19 organization does not provide that written notice within the 10
20 day period, then no party shall have the right to request a hub
21 agreement arbitration. If the horsemen's organization does provide
22 that written notice within the 10 day period, then the ADW provider
23 shall have 10 days to elect in writing to do one of the following:

- 24 (i) Abandon the hub agreement.
- 25 (ii) Accept the alternate proposal submitted by the horsemen's
26 organization.
- 27 (iii) Proceed with a hub agreement arbitration.

28 (E) If only the party referenced in clause (ii) of subdivision (B)
29 is a signatory to the hub agreement, then the signatories to the
30 hub agreement shall, within five days of execution of the hub
31 agreement, provide written notice of the host and hub fees
32 applicable pursuant to the hub agreement for each race conducted
33 outside of California on which California residents may place
34 advance deposit wagers, which notice shall be provided to all
35 racing associations and fairs conducting live racing of the same
36 breed covered by the hub agreement. If any racing association or
37 fair wants to request a hub agreement arbitration, it shall send
38 written notice of its election to the signatories to the hub agreement
39 within 10 days after receipt of the notice of host and hub fees. It
40 shall also provide its alternate proposal to the hub and host fees

1 *specified in the hub agreement with the notice of its election. If*
2 *more than one racing association or fair provides notice of their*
3 *request for hub agreement arbitration, those racing associations*
4 *or fairs, or both, shall have a period of five days to jointly agree*
5 *upon which of their alternate proposals shall be the official*
6 *proposal for purposes of the hub agreement arbitration. If one or*
7 *more racing associations or fairs that together conduct no fewer*
8 *than five weeks of live racing on the breed on which wagering is*
9 *conducted during the calendar year during which the wager is*
10 *placed does not provide written notice of their election to arbitrate*
11 *within the 10 day period, then no party shall have the right to*
12 *request a hub agreement arbitration. If a valid hub agreement*
13 *arbitration request is made, then the ADW provider shall have 10*
14 *days to elect in writing to do one of the following:*

- 15 *(i) Abandon the hub agreement.*
- 16 *(ii) Accept the alternate proposal submitted by the racing*
17 *associations or fairs.*
- 18 *(iii) Proceed with a hub agreement arbitration.*

19 *The results of any hub agreement arbitration elected pursuant*
20 *to this subdivision shall be binding on all other associations and*
21 *fairs conducting live racing on that breed.*

22 *(F) The acceptance thereof is in compliance with the provisions*
23 *of the Interstate Horseracing Act (15 U.S.C. Sec. 3001, et seq.),*
24 *regardless of the location of the ADW provider, whether in*
25 *California or otherwise, including, without limitation, any and all*
26 *requirements contained therein with respect to written consents*
27 *and required written agreements of horsemen's groups to the terms*
28 *and conditions of the acceptance of such wagers and any*
29 *arrangements as to the exclusivity between the host racing*
30 *association or fair and the ADW provider.*

31 *(c) An advance deposit wager may be made only by the ADW*
32 *provider holding the account pursuant to wagering instructions*
33 *issued by the owner of the funds communicated by telephone call*
34 *or through other electronic media. The ADW provider shall ensure*
35 *the identification of the account's owner by using methods and*
36 *technologies approved by the board. Any ADW provider that*
37 *accepts wagering instructions concerning races conducted in*
38 *California, or accepts wagering instructions originating in*
39 *California, shall provide a full accounting and verification of the*
40 *source of the wagers thereby made, including the postal ZIP Code*

- 1 *and breed of the source of the wagers, in the form of a daily*
2 *download of parimutuel data to a database designated by the*
3 *board. The daily download shall be delivered in a timely basis*
4 *using file formats specified by the database designated by the*
5 *board, and shall include any and all data necessary to calculate*
6 *and distribute moneys according to the rules and regulations*
7 *governing California parimutuel wagering. Any and all reasonable*
8 *costs associated with the creation, provision, and transfer of this*
9 *data shall be borne by the ADW provider.*
- 10 *(d) (1) (A) The board shall develop and adopt rules to license*
11 *and regulate all phases of operation of advance deposit wagering*
12 *for ADW providers operating in California.*
- 13 *(B) The board shall not approve an application for an original*
14 *or renewal license as an ADW provider unless the entity, if*
15 *requested in writing by a bona fide labor organization no later*
16 *than ninety days prior to licensing, has entered into a contractual*
17 *agreement with that labor organization that provides all of the*
18 *following:*
- 19 *(i) The labor organization has historically represented*
20 *employees who accept or process any form of wagering at the*
21 *nearest horse racing meeting located in California.*
- 22 *(ii) The agreement establishes the method by which the ADW*
23 *provider will agree to recognize and bargain in good faith with a*
24 *labor organization which has demonstrated majority status by*
25 *submitting authorization cards signed by those employees who*
26 *accept or process any form of wagering for which a California*
27 *ADW license is required.*
- 28 *(iii) The agreement requires the ADW provider to maintain its*
29 *neutrality concerning the choice of those employees who accept*
30 *or process any form of wagering for which a California ADW*
31 *license is required whether or not to authorize the labor*
32 *organization to represent them with regard to wages, hours, and*
33 *other the terms and conditions of employment.*
- 34 *(iv) The agreement applies to those classifications of employees*
35 *who accept or process wagers for which a California ADW license*
36 *is required whether the facility is located within or outside of*
37 *California.*
- 38 *(C) (i) The agreement required by subparagraph (B) shall not*
39 *be conditioned by either party upon the other party agreeing to*
40 *matters outside the requirements of subparagraph (B).*

- 1 (ii) *The requirement in subparagraph (B) shall not apply to an*
2 *ADW provider which has entered into a collective bargaining*
3 *agreement with a bona fide labor organization that is the exclusive*
4 *bargaining representative of employees who accept or process*
5 *parimutuel wagers on races for which an ADW license is required*
6 *whether the facility is located within or outside California.*
- 7 (D) *Permanent state or county employees and nonprofit*
8 *organizations that have historically performed certain services at*
9 *county, state, or district fairs may continue to provide those*
10 *services.*
- 11 (E) *Parimutuel clerks employed by racing associations or fairs*
12 *or employees of ADW providers who accept or process any form*
13 *of wagers who are laid off due to lack of work shall have*
14 *preferential hiring rights for new positions with their employer in*
15 *occupations whose duties include accepting or processing any*
16 *form of wagers, or the operation, repair, service, or maintenance*
17 *of equipment that accepts or processes any form of wagering at a*
18 *racetrack, satellite wagering facility, or ADW provider licensed*
19 *by the board. The preferential hiring rights established by this*
20 *subdivision shall be conditioned upon the employee meeting the*
21 *minimum qualification requirements of the new job.*
- 22 (2) *The board shall develop and adopt rules and regulations*
23 *requiring ADW providers to establish security access policies and*
24 *safeguards, including, but not limited to, the following:*
- 25 (A) *The ADW provider shall use board-approved methods to*
26 *perform location and age verification confirmation with respect*
27 *to persons establishing an advance deposit wagering account.*
- 28 (B) *The ADW provider shall use personal identification numbers*
29 *(PINs) or other technologies to assure that only the accountholder*
30 *has access to the advance deposit wagering account.*
- 31 (C) *The ADW provider shall provide for withdrawals from the*
32 *wagering account only by means of a check made payable to the*
33 *accountholder and sent to the address of the accountholder or by*
34 *means of an electronic transfer to an account held by the verified*
35 *accountholder or the accountholder may withdraw funds from the*
36 *wagering account at a facility approved by the board by presenting*
37 *verifiable account identification information.*
- 38 (D) *The ADW provider shall allow the board access to its*
39 *premises to visit, investigate, audit and place expert accountants*
40 *and other persons it deems necessary for the purpose of ensuring*

1 *that its rules and regulations concerning credit authorization,*
2 *account access, and other security provisions are strictly complied*
3 *with. To ensure that the amounts retained from the parimutuel*
4 *handle are distributed under law, rules, or agreements, any ADW*
5 *provider that accepts wagering instructions concerning races*
6 *conducted in California or accepts wagering instructions*
7 *originating in California shall provide an independent “agreed*
8 *upon procedures” audit for each California racing meeting, within*
9 *60 days of the conclusion of the race meeting. The auditing firm*
10 *to be used and the content and scope of the audit, including host*
11 *fee obligations, shall be set forth in the applicable agreement. The*
12 *ADW provider shall provide the board, horsemen’s organizations,*
13 *and the host racing association with an annual parimutuel audit*
14 *of the financial transactions of the ADW provider with respect to*
15 *wagers authorized pursuant to this section, prepared in accordance*
16 *with generally accepted auditing standards and the requirements*
17 *of the board. Any and all reasonable costs associated with those*
18 *audits shall be borne by the ADW provider.*

19 (3) *The board shall prohibit advance deposit wagering*
20 *advertising that it determines to be deceptive to the public. The*
21 *board shall also require, by regulation, that every form of*
22 *advertising contain a statement that minors are not allowed to*
23 *open or have access to advance deposit wagering accounts.*

24 (e) *In order for a licensee, betting system, or multijurisdictional*
25 *wagering hub to be approved by the board as an ADW provider,*
26 *it shall meet both of the following requirements:*

27 (1) *All wagers thereby made shall be included in the appropriate*
28 *parimutuel pool under a contractual agreement with the applicable*
29 *host track.*

30 (2) *The amounts deducted from advance deposit wagers shall*
31 *be in accordance with the provisions of this chapter.*

32 (f) *After the payment of contractual compensation, the amounts*
33 *received as market access fees from advance deposit wagers, which*
34 *shall not be considered for purposes of Section 19616.51, shall be*
35 *distributed as follows:*

36 (1) *An amount equal to 0.0011 multiplied by the amount handled*
37 *on advance deposit wagers originating in California for each*
38 *racing meeting shall be distributed to the Center for Equine Health*
39 *to establish the Kenneth L. Maddy Fund for the benefit of the*

1 *School of Veterinary Medicine at the University of California at*
2 *Davis.*

3 (2) *An amount equal to 0.0003 multiplied by the amount handled*
4 *on advance deposit wagers originating in California for each*
5 *racing meeting shall be distributed to the Department of Industrial*
6 *Relations to cover costs associated with audits conducted pursuant*
7 *to Section 19526 and for the purposes of reimbursing the State*
8 *Mediation and Conciliation Service for costs incurred pursuant*
9 *to this bill. However, if that amount would exceed the costs of the*
10 *Department of Industrial Relations, the amount distributed to the*
11 *department shall be reduced, and that reduction shall be forwarded*
12 *to an organization designated by the racing association or fair*
13 *described in subdivision (a) for the purpose of augmenting a*
14 *compulsive gambling prevention program specifically addressing*
15 *that problem.*

16 (3) *An amount equal to 0.00165 multiplied by the amount*
17 *handled on advance deposit wagers that originate in California*
18 *for each racing meeting shall be distributed as follows:*

19 (A) *One-half of the amount shall be distributed to supplement*
20 *the trainer-administered pension plans for backstretch personnel*
21 *established pursuant to Section 19613. Moneys distributed pursuant*
22 *to this subparagraph shall supplement, and not supplant, moneys*
23 *distributed to that fund pursuant to Section 19613 or any other*
24 *provision of law.*

25 (B) *One-half of the amount shall be distributed to the welfare*
26 *fund established for the benefit of horsemen and backstretch*
27 *personnel pursuant to subdivision (b) of Section 19641. Moneys*
28 *distributed pursuant to this subparagraph shall supplement, and*
29 *not supplant, moneys distributed to that fund pursuant to Section*
30 *19641 or any other provision of law.*

31 (4) *With respect to wagers on each breed of racing that originate*
32 *in California, an amount equal to two percent of the first two*
33 *hundred fifty million dollars (\$250,000,000) of handle from all*
34 *advance deposit wagers originating from within California*
35 *annually, an amount equal to 1.5 percent of the next two hundred*
36 *fifty million dollars (\$250,000,000) of handle from all advance*
37 *deposit wagers originating from within California annually, an*
38 *amount equal to one percent of the next two hundred fifty million*
39 *dollars (\$250,000,000) of handle from all advance deposit wagers*
40 *originating from within California annually, and an amount equal*

1 to 0.50 percent of handle from all advance deposit wagers
2 originating from within California in excess of seven hundred fifty
3 million dollars (\$750,000,000) annually, shall be distributed as
4 satellite wagering commissions. Satellite facilities that were not
5 operational in 2001, other than one each in the cities of Inglewood
6 and San Mateo, and two additional facilities each operated by the
7 Alameda County Fair and the Los Angeles County Fair and their
8 partners and other than existing facilities which are relocated, are
9 not eligible for satellite wagering commission distributions under
10 this section. The satellite wagering facility commissions calculated
11 in accordance with this subdivision shall be distributed to each
12 satellite wagering facility and racing association or fair in the
13 zone in which the wager originated in the same relative proportions
14 that the satellite wagering facility or the racing association or fair
15 generated satellite commissions during the previous calendar year.
16 If there is a reduction in the satellite wagering commissions
17 pursuant to this section, the benefits therefrom shall be distributed
18 equitably as purses and commissions to all associations and racing
19 fairs generating advance deposit wagers in proportion to the
20 handle generated by those associations and racing fairs. For
21 purposes of this section, the purse funds distributed pursuant to
22 Section 19605.72 shall be considered to be satellite wagering
23 facility commissions attributable to thoroughbred races at the
24 locations described in that section.

25 (5) After the distribution of the amounts set forth in paragraphs
26 (1) to (4), inclusive, the remaining market access fees from advance
27 deposit wagers originating in California shall be as follows:

28 (A) With respect to wagers on each breed of racing, the amount
29 remaining shall be distributed to the racing association or fair
30 that is conducting live racing on that breed during the calendar
31 period in the zone in which the wager originated. That amount
32 shall be allocated to that racing association or fair as commissions,
33 to horsemen participating in that racing meeting in the form of
34 purses, and as incentive awards, in the same relative proportion
35 as they were generated or earned during the prior calendar year
36 at that racing association or fair on races conducted or imported
37 by that racing association or fair after making all deductions
38 required by applicable law. Notwithstanding any other provision
39 of law, the distributions with respect to each breed of racing set
40 forth in this subparagraph may be altered upon the approval of

1 the board, in accordance with an agreement signed by the
2 respective associations, fairs, horsemen's organizations, and
3 breeders organizations receiving those distributions.

4 (B) If the provisions of Section 19601.2 apply, then the amount
5 distributed to the applicable racing associations or fairs shall first
6 be divided between those racing associations or fairs in direct
7 proportion to the total amount wagered in the applicable zone on
8 the live races conducted by the respective association or fair.
9 Notwithstanding this requirement, when the provisions of
10 subdivision (b) of Section 19607.5 apply to the 2nd District
11 Agricultural Association in Stockton or the California Exposition
12 and State Fair in Sacramento, then the total amount distributed
13 to the applicable racing associations or fairs shall first be divided
14 equally, with 50 percent distributed to applicable fairs and 50
15 percent distributed to applicable associations.

16 (C) Notwithstanding any provisions of this section to the
17 contrary, with respect to wagers on out-of-state and out-of-country
18 thoroughbred races conducted after 6 p.m., Pacific time, 50 percent
19 of the amount remaining shall be distributed as commissions to
20 thoroughbred associations and racing fairs, as thoroughbred and
21 fair purses, and as incentive awards in accordance with
22 subparagraph (A), and the remaining 50 percent, together with
23 the total amount remaining from advance deposit wagering
24 originating from California out-of-state and out-of-country harness
25 and quarter horse races conducted after 6 p.m., Pacific time, shall
26 be distributed as commissions on a pro rata basis to the applicable
27 licensed quarter horse association and the applicable licensed
28 harness association, based upon the amount handled in state, both
29 on- and off-track, on each breed's own live races in the previous
30 year by that association, or its predecessor association. One-half
31 of the amount thereby received by each association shall be
32 retained by that association as a commission, and the other half
33 of the money received shall be distributed as purses to the
34 horsemen participating in its current or next scheduled licensed
35 racing meeting.

36 (D) Notwithstanding any provisions of this section to the
37 contrary, with respect to wagers on out-of-state and out-of-country
38 non-thoroughbred races conducted before 6 p.m., Pacific time, 50
39 percent of the amount remaining shall be distributed as
40 commissions as provided in subparagraph (C) for licensed quarter

1 horse and harness associations, and the remaining 50 percent
2 shall be distributed as commissions to the applicable thoroughbred
3 associations or fairs, as thoroughbred and fair purses, and as
4 incentive awards in accordance with subparagraph (A).

5 (E) Notwithstanding any provision of this section to the contrary,
6 the distribution of market access fees pursuant to this
7 subparagraph may be altered upon the approval of the board, in
8 accordance with an agreement signed by all parties whose
9 distributions would be affected.

10 (g) A racing association, a fair, or a satellite wagering facility
11 may enter into an agreement with an ADW provider to accept and
12 facilitate the placement of any wager from a patron at its facility
13 that a California resident could make through that ADW provider.
14 Deductions from wagers made pursuant to such an agreement
15 shall be distributed in accordance with the provisions of this
16 chapter governing wagers placed at that facility, except that the
17 board may authorize alternative distributions as agreed to by the
18 ADW provider, the operator of the facility accepting the wager,
19 the association or fair conducting that breed of racing in the zone
20 where the wager is placed, and the respective horsemen's
21 organization.

22 (h) Any issues concerning the interpretation or application of
23 this section shall be resolved by the board.

24 (i) Amounts distributed under this section shall be proportionally
25 reduced by an amount equal to 0.00295 multiplied by the amount
26 handled on advanced deposit wagers originating in California for
27 each racing meeting, and shall not exceed two million dollars
28 (\$2,000,000). The method used to calculate the reduction in
29 proportionate share shall be approved by the board. The amount
30 deducted shall be distributed as follows:

31 (1) Fifty percent of the money to the California Horse Racing
32 Board to establish and to administer jointly with the organization
33 certified as the majority representative of California licensed
34 jockeys pursuant to Section 19612.9, a defined contribution
35 retirement plan for California licensed jockeys who retired from
36 racing on or after January 1, 2009, and who, as of the date of their
37 retirement, had ridden in a minimum of 1,250 parimutuel races
38 conducted in California.

39 (2) The remaining 50 percent of the money shall be distributed
40 as follows:

1 (A) Seventy percent shall be distributed to supplement the
2 trainer-administered pension plans for backstretch personnel
3 established pursuant to Section 19613. Moneys distributed pursuant
4 to this subparagraph shall supplement, and not supplant, moneys
5 distributed to that fund pursuant to Section 19613 or any other
6 provision of law.

7 (B) Thirty percent shall be distributed to the welfare fund
8 established for the benefit of horsemen and backstretch personnel
9 pursuant to subdivision (b) of Section 19641. Moneys distributed
10 pursuant to this subparagraph shall supplement, and not supplant,
11 moneys distributed to that fund pursuant to Section 19641 or any
12 other provision of law.

13 SEC. 9. Section 19605.72 of the Business and Professions Code
14 is amended to read:

15 19605.72. (a) In addition to the amounts deducted and
16 distributed pursuant to Section 19605.7, an amount equal to 1.25
17 percent of the total amount handled on thoroughbred races
18 conducted by, or disseminated by, a thoroughbred racing
19 association or fair at a satellite facility that is located on the
20 premises where, and on days when, harness races are being
21 conducted in the northern zone, shall be paid by an organization
22 described in Section 19608.2 to the harness racing association and
23 thereafter shall be distributed as purses to the harness horsemen
24 racing at the harness racing meeting.

25 (b) In addition to the amounts deducted and distributed pursuant
26 to Section 19605.71, an amount equal to 1.25 percent of the total
27 amount handled on thoroughbred races conducted by, or
28 disseminated by, a thoroughbred racing association or fair at a
29 satellite facility that is located on the premises where, and during
30 calendar periods when, quarter horse or harness race meetings are
31 being conducted in Orange County, shall be distributed as purses
32 to the horsemen racing at the quarter horse or harness racing
33 meeting.

O

CARF FINANCIAL PLAN FOR HORSE RACING

Minimum request for funds in 2008:

Track Safety and Maintenance	\$ 600,000
Equipment Replacement	\$ 500,000
Capital Investment	<u>\$1,500,000</u>
Total:	\$2,600,000

Bay Meadows is scheduled to race through the first half of 2008 and to remain open for auxiliary stabling through the end of 2008. Thereafter, in 2009 and beyond, it is anticipated that approximately 100 days of racing will shift to Golden Gate Fields and fair race track facilities and that a great majority of these added dates will be run at fair facilities. Significant improvements at selected fair facilities will have to be undertaken immediately in order to meet this need.

CARF has been working on a plan for shifting racing and stabling, currently at Bay Meadows, to publicly owned facilities, i.e., existing fair race tracks, in a way that will best serve the needs of the racing public, fairs and the racing industry in general. In that connection, CARF has agreed to and advocates the following:

1. It is not practical or feasible to attempt to upgrade all fair racing facilities to the same or similar level of quality nor is it practical or feasible to spread all newly available racing dates among the existing Northern California fairs. Racing Fairs are in agreement that they need to cooperate to make the most efficient use of their collective facilities and to share in the risks and rewards of that effort.
2. After considering several sites, CARF has determined that the Alameda County Fair at Pleasanton provides the most practical and feasible location to offer as the primary, although not exclusive, recipient of additional race dates made available by the closing of Bay Meadows. In order to do so, there will have to be a synthetic track and other improvements that are estimated to cost between \$15 and \$25 million, at least \$10,000,000 of which will need to be expended before the 2009 racing season.
3. CARF has determined that the San Mateo County Fair should begin immediately to provide a satellite wagering facility to replace, to the extent possible, the satellite wagering facility at Bay Meadows. CARF has also determined that future San Mateo County Fair race meet dates should be raced at a fair facility.

4. CARF has determined that other Northern California fair live racing facilities, including the facilities at Humboldt, Santa Rosa, Vallejo, Sacramento, Stockton and Fresno, should be upgraded to better meet the needs of racing requirements in the future or in the alternative should be a financial partner in the consolidation of such meets at upgraded fair facilities.
5. CARF has determined that where it is practical and feasible to do so, the facilities of the fair satellite network must be improved and that the satellites should work more cooperatively to accomplish facility and programming improvements that benefit the fan and the racing product.

To accomplish the above goals, it will be necessary to expend tens of millions of dollars. It is unlikely that any new private racing facility will be built in Northern California and with the CARF proposal no such private racing facility is necessary. CARF opposes any new private racing facility in Northern California because such development will most likely result in significant pressure to redirect resources and potential revenues away from fair facilities.

CARF recommends in 2008 that F&E provide \$2.6 million as specified above. The amount earmarked for capital investment will go \$1 million to Pleasanton and \$500,000 to the San Mateo County Fair. CARF also recommends that F&E loan \$3 million from its existing loan fund to Pleasanton. CARF also intends to loan to Pleasanton \$1 million from its equipment replacement fund (this loan to be short term so as not to interfere with timely replacement of any aging equipment). All of this is contingent on Pleasanton being responsible for coming up with at least \$5 million from other sources outside CARF and F&E and working cooperatively with CARF and the other racing fairs with respect to consolidation of fair meets where practical and feasible and in the best collective interests of all fairs involved in racing in Northern California. With respect to the San Mateo County Fair, such funding is contingent on the San Mateo Fair working cooperatively with CARF and the other racing fairs with respect to consolidation of fair meets where practical and feasible and in the best collective interests of all fairs involved in racing. For the San Mateo County Fair this means specifically agreeing to commit to racing at a fair facility for reasonable compensation commensurate with that available to other racing fairs that choose to race at another fair facility.

In order to be able properly to implement the early phase of the capital improvement plan CARF requests that F&E commit to annual funding for a period of at least five years and at a minimum the level of expenditures requested for 2008. After five years, it is anticipated that CARF and F&E will reassess the progress made and any adjustments to the development plan deemed necessary. During the course of the first five year phase, CARF expects that F&E will have the right to reject the specific recommendations for expenditures of the capital investment fund if for any reason F&E determines that the expenditures are not meeting the goals established as set forth in this document. Currently, the following projects are anticipated for 2009 and beyond:

- Santa Rosa backstretch and grandstand improvements
- Vallejo backstretch, grandstand and lighting improvements for year round harness racing
- Stockton track surface improvements
- Fresno track surface improvements
- Humboldt backstretch upgrades.



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Tribal slots pact facing challenge

Coalition may ask voters to reject deal

By Peter Hecht - Bee Capitol Bureau
Published 12:00 am PDT Sunday, July 22, 2007

With a deal all but sealed June 28 to allow four of California's richest casino gambling tribes to add a total of 17,000 new slot machines, veteran labor activist Jack Gribbon fumed in a state Capitol hallway, vowing to take his grievances to the people.

"We can go to a referendum," Gribbon said. "Voter attitudes have changed. It's become clear that this is a scam by a small gambling cartel getting more rich while poor tribes get nothing."

Since then, an unusual coalition of labor organizers, horse racing interests and representatives for other Indian tribes has held numerous meetings to plot a ballot strategy to overturn an unprecedented expansion of Indian gambling in California.

By late last week, it still remained unclear if the group -- led by Gribbon's UNITE HERE hotel and casino workers union -- had reached an agreement on a petition drive for a Feb. 5 ballot referendum to block gambling compacts for four major Southern California casino tribes.

If such a referendum occurs, it could trigger a particularly costly and caustic ballot fight over Indian gambling, worker rights and controversial tribal compacts that Gov. Arnold Schwarzenegger vows will produce billions of dollars for the state treasury.

"I think it would be a huge firefight because there are huge, huge issues involved," said Garry South, a political consultant for the California Tribal Business Alliance. The group includes the United Auburn tribe near Sacramento and three San Diego County casino tribes -- Pala, Pauma and Viejas -- that would face increased competition from a major expansion of casino gambling in Southern California.

The Legislature approved the gambling agreements that Schwarzenegger signed with four tribes -- the Sycuan Band of the Kumeyaay Nation, the Agua Caliente Band of Cahuilla Indians, the Morongo Band of Mission Indians and the Pechanga Band of Luiseño Indians.

The Southern California tribes currently each operate 2,000-slot casinos, which raked in between \$200 million and \$425 million in 2005. Under the new agreements, the tribes stand to put in between 3,000 and 5,500 additional slots each.

But the agreements infuriated UNITE HERE, which protested that the compacts didn't include the same labor protections accepted in 2004 gambling by other tribes.

Some of those tribes -- including United Auburn, operator of the Thunder Valley Casino near Sacramento, and the Pala Tribe in San Diego -- now object to the new agreements because they say the Southern California tribes stand to pay lower revenue sharing payments to the state per new slot machine added.

The other tribes also are upset by side agreements that the Southern California tribes signed that they charge circumvent federal law and the state gambling compact process.

And they complain that they accepted labor concessions -- including allowing union organizing without secret ballot elections -- while Southern California tribes played political hardball and spent tens of millions of dollars in contributions and advertising to get their way.

"We agreed to union components (in 2004 gambling agreements) because it was important to the Legislature and imperative to the governor," said Howard Dickstein, an attorney for the United Auburn and Pala tribes. "Then we find out that the policies for the 2004 compacts appear not so important to the governor now."

"This is a bait-and-switch in policy. Threats and bullying and confrontation are rewarded. And that is something that doesn't sit well."

Dickstein said neither the United Auburn nor the Pala tribe has signed on -- or pledged financial support -- to a petition drive to gather more than 430,000 signatures to put the Southern California gambling compacts before state voters. But he confirmed they have been part of the discussions.

The other participants in the talks are representatives for the horse racing industry, which has complained mightily over lost revenues -- and smaller racing purses -- due to competition from tribal gambling.

In 2004, horse racing interests -- and card clubs -- failed in backing Proposition 68, which sought to require tribes that operate casinos to pay 25 percent of income to state and local government programs. If even one tribe failed to do so, the initiative would have allowed five racetracks and 11 card rooms to operate a total of 30,000 slot machines.

Proposition 68 lost resoundingly, with tribes, including United Auburn, chipping in millions of dollars to defeat it. Now racing interests and the tribe could soon be working together in opposition to the Southern California gambling compacts.

Nancy Conrad, a spokeswoman for the Agua Caliente tribe, said the Palm Springs tribe views the ballot referendum discussions with concern, but said "it is not clear at this time that this could become reality."

"We're certainly concerned that there is a potential threat of millions of dollars (in tribal revenue sharing payments) being cut from the state budget and billions over the life of these compacts," she said. "We don't think people want to see these gains for Californians erased."

Competing tribal groups recently released starkly different polls on voter attitudes on the Southern California gambling agreements.

The Tribal Business Alliance released a poll showing that California voters were split on the newly approved compacts, 47 percent in favor vs. 45 percent opposed.

"If the new compacts were ... to appear ... in front of voters, then they would face a difficult time passing and would be vulnerable to attack," the poll report said.

But the Pechanga tribe says its private poll of "high propensity voters" showed a greater than two-thirds support for the casino expansions.

"This ... merely confirms what we've known for quite some time," tribal Chairman Mark Macarro said in a statement. "There is overwhelming support for the new agreements."

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[2004](#) [2005](#) [2006](#) **2007**

[07-0054](#) [PDF 277 kb / 2 pg]

Submitted for Title and Summary on September 17, 2007.
Health Is a Right Act

[07-0053](#) [PDF 1868 kb / 9 pg]

Submitted for Title and Summary on September 12, 2007.
Child and Teen Safety and Stop Predators Act: Sarah's Law

[07-0052](#) [PDF 924 kb / 4 pg]

Submitted for Title and Summary on August 27, 2007.
The Proportional Representation in Presidential Elections Act

[07-0051](#) [PDF 732 kb / 4 pg]

Submitted for Title and Summary on August 24, 2007.
The Corporate Crime Reporting Act - Version 2

[07-0049](#) [PDF 1044 kb / 5 pg]

Submitted for Title and Summary on August 21, 2007.
The National Popular Vote for President Act - Version 2

[07-0048](#) [PDF 1128 kb / 6 pg]

Submitted for Title and Summary on August 21, 2007.
The National Popular Vote for President Act - Version 1

[07-0047](#) [PDF 43 kb / 2 pg]

Submitted for Title and Summary on August 16, 2007.
Healthy Californians Act

Date: August 6, 2007
File No. 07-0038

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

REFERENDUM PETITION TO OVERTURN AMENDMENT TO INDIAN GAMING

COMPACT. If this petition is signed by the required number of registered voters and timely filed with the Secretary of State, it will stop the law (Chapter 41, Statutes of 2007) from going into effect, unless a majority of voters at the next statewide election vote in its favor. The challenged law ratifies an amendment to an existing gaming compact between the state and Agua Caliente Band of Cahuilla Indians; exempts certain projects from the California Environmental Quality Act; requires that revenue paid by tribe be deposited in the General Fund. (07-0038.)

CA Authority of Racing Fairs Legislative Report

- Last 10 Days

9/21/2007

AB 236(Lieu) **Public resources: state and local motor vehicle fleets.** (E-09/20/2007 [html](#) [pdf](#))

Status: 09/12/2007-Senate amendments concurred in. To enrollment. (Ayes 56. Noes 20. Page 3351.)

Current Location: 09/12/2007-A ENROLLMENT

Digest: (1) Existing law requires the Department of General Services, in consultation with the State Energy Resources Conservation and Development Commission (Energy Commission) and the State Air Resources Board (board), to develop and adopt specifications and standards for all passenger cars and light-duty trucks that are purchased or leased on behalf of, or by, state offices, agencies, and departments. These specifications and standards are required to include specified elements. The Director of General Services is required to compile and maintain specified information on the nature of vehicles that are owned or leased by the state.

This bill would require the Department of General Services, in conjunction with the board and the Energy Commission, by December 31, 2008, to amend and revise existing purchasing methodology to rank environmental and energy benefits, and costs of motor vehicles for potential procurement by state and local governments and to develop vehicle ranking containing specified criteria. By July 1, 2009, available vehicles in individual classes would be ranked based on the purchasing methodology revised by the Energy Commission. The Department of General Services would be required to procure, for use in the state fleet, vehicles that meet federal requirements and have been ranked best in their class as determined by the revised purchasing methodology, except as specified. The Department of General Services would be required to take specified actions regarding vehicle procurement and alternative fuel and related infrastructure. By July 1, 2009, a vehicle capable of using alternative fuels would be required to be operated on those fuels unless alternative fuels are not readily available or other factors exist that may prevent the use of those fuels.

The Director of General Services would be required to compile and maintain the number of alternative fuel vehicles in the vehicle fleet that

use the respective alternative fuel in those vehicles and the number that use petroleum and to report to the Legislature and the Governor, beginning on July 1, 2009, and every 3 years thereafter, the information on the nature of vehicles that are owned or leased by the state. On December 31, 2009, and annually thereafter, the Director of General Services would, additionally, be required to report to the Legislature and the Governor on the total annual vehicle miles traveled by state vehicles. The Secretary of State and Consumer Services, in consultation with the Department of General Services and other appropriate agencies, would be required, on or before July 1, 2009, to develop and implement, and submit to the Legislature and the Governor, a plan to reduce or displace the state fleet's consumption of petroleum products. Beginning on April 1, 2010, and annually thereafter, the Department of General Services would be required to provide the Department of Finance and the appropriate committees of the Legislature with a progress report on meeting the goals in that plan.

(2) Existing law authorizes a city, county, city and county, and special district, including a school district and a community college district, when awarding a vehicle procurement contract, to evaluate and score fuel economy, in addition to other life-cycle factors, in choosing passenger cars or light-duty trucks, or both, with the lowest life-cycle cost; and to require that 75% of the passenger cars or light-duty trucks, or both, to be acquired be energy-efficient vehicles.

This bill would make technical, nonsubstantive changes to those provisions.

Laws: An act to amend Sections 25722.5, 25725, and 25726 of, and to add Sections 25722.6 and 25722.8 to, the Public Resources Code, relating to public resources.

History:

Sept. 12 Senate amendments concurred in. To enrollment. (Ayes 56. Noes 20. Page 3351.)

Sept. 11 Read third time, passed, and to Assembly. (Ayes 24. Noes 13. Page 2594.)

Sept. 11 In Assembly. Concurrence in Senate amendments pending.

Sept. 7 Read third time, amended, and returned to third reading.

Aug. 31 From committee: Do pass. (Ayes 10. Noes 7.) . Read second time. To third reading.

Aug. 27 In committee: Placed on Appropriations suspense file.

Aug. 20 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR.

Aug. 20 In committee: Hearing postponed by committee.

July 17 Read second time, amended, and re-referred to Com. on APPR.

July 16 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 5. Noes 4.) .

July 3 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

June 27 From committee: Do pass, and re-refer to Com. on G.O. Re-referred. (Ayes 8. Noes 3.) .

June 14 Referred to Coms. on T. & H. and G.O.

June 6 In Senate. Read first time. To Com. on RLS. for assignment.

June 5 Read third time, passed, and to Senate. (Ayes 62. Noes 17. Page 1908.)

June 4 Read second time. To third reading.

June 1 From committee: Amend, and do pass as amended. (Ayes 12. Noes 5.) (May 31). Read second time and amended. Ordered returned to second reading.

May 16 In committee: Set, first hearing. Referred to APPR. suspense file.

Apr. 30 Re-referred to Com. on APPR.

Apr. 26 From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended.

Mar. 29 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 9. Noes 1.) (March 27).

Mar. 7 Re-referred to Com. on B. & P.

Mar. 6 From committee chair, with author's amendments: Amend, and re-refer to Com. on B. & P. Read second time and amended.

Mar. 1 Referred to Com. on B. & P.

Feb. 1 From printer. May be heard in committee March 3.

Jan. 31 Read first time. To print.

Organization
CARF

Subject
Fuel

AB 241 (Price) Horse racing: satellite wagering. (E-09/20/2007 [html](#) [pdf](#))
Status: 09/12/2007-Senate amendments concurred in. To enrollment.
 (Ayes 67. Noes 7. Page 3403.)

Current Location: 09/12/2007-A ENROLLMENT

Digest: Existing law generally regulates horse racing, including satellite wagering on horse races. Existing law authorizes the California Horse Racing Board to authorize certain fairs and racing associations to operate satellite wagering facilities.

This bill would authorize an additional 15 minisatellite wagering sites, as defined, in each zone under certain conditions. The bill would apply a specified provision requiring, as a condition of operating a minisatellite facility, the entity operating the facility must enter into a written contractual agreement with a bona fide labor organization, as defined. The bill would also require the board to adopt emergency regulations to implement the new facilities by April 1, 2008. The bill would authorize satellite wagering to continue to be conducted at certain racetracks that have closed, under certain conditions.

Existing law generally regulates horse racing and defines "inclosure" for purposes of wagering as all areas of the racing association's or fair's grounds and locations, as designated by the racing association or fair licensed to conduct a live racing meeting and approved by the board, excluding the public parking lot.

This bill would delete the parking lot exclusion from that definition.

Existing law authorizes any fair in San Joaquin, San Bernardino, Humboldt, or Fresno Counties, subject to certain conditions, to operate a satellite wagering facility, as specified.

This bill would remove the specified counties listed in that provision, so as to authorize any county to operate a satellite wagering facility under those conditions.

By expanding wagering on horse racing by authorizing additional satellite wagering facilities, this bill would increase the amount of continuously appropriated license fees, thereby making an appropriation. Appropriation: yes.

Laws: An act to amend Sections 19410 and 19605.51 of, and to add Sections 19410.7, 19605.25, and 19605.54 to, the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

History:

Sept. 12 Senate amendments concurred in. To enrollment. (Ayes 67. Noes 7. Page 3403.)

Sept. 11 Read third time, passed, and to Assembly. (Ayes 30. Noes 7. Page

2557.)

Sept. 11 In Assembly. Concurrence in Senate amendments pending. Re-referred to Com. on G.O. pursuant to Assembly Rule 77.2. (Page 3263.) Joint Rule 62(a), file notice waived. (Page 3263.) From committee: With recommendation: That Senate amendments be concurred in. (Ayes 13. Noes 0.) (September 11).

Sept. 7 Read third time, amended, and returned to third reading.

Sept. 6 Read third time, amended, and returned to third reading.

Sept. 4 From committee: Amend, and do pass as amended. (Ayes 10. Noes 5.) . Read second time and amended. Ordered to third reading.

Aug. 22 (Corrected August 21.)

Aug. 20 In committee: Placed on Appropriations suspense file.

Aug. 1 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR.

July 17 Read second time, amended, and re-referred to Com. on APPR.

July 16 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 8. Noes 0.) .

July 2 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

May 23 Referred to Com. on G.O.

May 17 Read third time, passed, and to Senate. (Ayes 70. Noes 1. Page 1523.)

May 17 In Senate. Read first time. To Com. on RLS. for assignment.

May 14 Read second time. To third reading.

May 10 From committee: Do pass. (Ayes 16. Noes 0.) (May 9).

Apr. 26 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 14. Noes 0.) (April 25).

Apr. 10 Re-referred to Com. on G.O.

Apr. 9 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.

Mar. 29 From committee: Be re-referred to Com. on G.O. Re-referred. (Ayes 10. Noes 0.) (March 29).

Mar. 15 Re-referred to Com. on RLS. by unanimous consent.

Mar. 13 Re-referred to Com. on B. & P.

Mar. 12 From committee chair, with author's amendments: Amend, and re-refer to Com. on B. & P. Read second time and amended.

Feb. 13 Referred to Com. on B. & P.

Feb. 1 From printer. May be heard in committee March 3.

Jan. 31 Read first time. To print.

<i>Organization</i>	<i>Position</i>	<i>Subject</i>
CARF	Support	Horse Racing

Notes: Support letter dated 9-18-07 authored by Louie Brown

AB 356 (Mendoza) **Gambling control.** (E-09/11/2007 [html](#) [pdf](#))

Status: 09/11/2007-In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 49. Noes 25. Page 3292.)

Current Location: 09/11/2007-A ENROLLMENT

Digest: (1) Existing law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission. Under the act, a corporation is ineligible to receive a license to own a gambling enterprise unless the conduct of controlled gambling is among the purposes stated in its articles of incorporation, and the articles of incorporation have been submitted to and approved by the commission. This bill would authorize the commission to delegate to staff the approval of articles of incorporation, statements of limited partnership, and other entity filings that are required to specifically state that gambling is one of the purposes for which the business entity is formed.

(2) Existing law ~~relating to legalized gambling defines and regulates controlled games~~ regulates the collection of player fees in gambling establishments. Existing law prohibits a player fee from being calculated as a fraction or percentage of wagers made or winnings earned. Existing law also authorizes flat fees on each wager to be assessed at different collection rates, but no more than 3 collection rates may be established per table.

This bill would increase that amount to 5 collection rates per table.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to add Section 19881.5 to the Business and Professions Code, and to amend Section 337j of the Penal Code, relating to gaming.

History:

Sept. 11 In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 49. Noes 25. Page

3292.)

Sept. 10 Read third time, passed, and to Assembly. (Ayes 32. Noes 3. Page 2525.)

Sept. 6 Read second time. To third reading.

Sept. 6 Read third time, amended, and returned to third reading.

Sept. 5 From inactive file. To second reading.

Aug. 27 To inactive file on motion of Senator Lowenthal.

June 26 Read second time. To third reading.

June 25 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 12 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 8. Noes 0.) .

May 17 Referred to Com. on G.O.

May 10 Read third time, passed, and to Senate. (Ayes 47. Noes 14. Page 1429.)

May 10 In Senate. Read first time. To Com. on RLS. for assignment.

May 7 Read second time. To third reading.

May 3 From committee: Do pass. (Ayes 11. Noes 5.) (May 2).

Apr. 19 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 10. Noes 0.) (April 18).

Feb. 22 Referred to Com. on G.O.

Feb. 15 From printer. May be heard in committee March 17.

Feb. 14 Read first time. To print.

Organization

CARF

AB 532 (Wolk) **State property: solar energy.** (E-09/20/2007 [html](#) [pdf](#))

Status: 09/20/2007-Enrolled and to the Governor at 3:45 p.m.

Current Location: 09/20/2007-A ENROLLED

Digest: Existing law requires the Department of General Services, in consultation with the State Energy Resources Conservation and Development Commission, to ensure that solar energy equipment is installed, no later than January 1, 2007, on all state buildings and state parking facilities, where feasible.

This bill would require the department to ensure that solar energy equipment is installed no later than January 1, 2009, on these buildings and facilities, as well as state-owned swimming pools that are heated

with fossil fuels or electricity, where feasible.

Existing law requires that solar energy equipment be installed, where feasible, as part of the construction of all state buildings and state parking facilities for which construction commences on or after January 1, 2003.

This bill would change this requirement to apply to construction commencing on or after January 1, 2008.

Existing law provides that it is feasible to install solar equipment if adequate space on or adjacent to a building is available, if the solar-energy equipment is cost-effective, and if funding is available.

This bill would specify that funding for purposes of determining if installation is feasible may be funding from the state or another source.

Laws: An act to amend Section 14684.1 of the Government Code, relating to state property.

History:

Sept. 20 Enrolled and to the Governor at 3:45 p.m.

Sept. 7 In Assembly. To enrollment.

Sept. 6 Read third time, passed, and to Assembly. (Ayes 26. Noes 11. Page 2371.)

Aug. 31 From committee: Do pass. (Ayes 10. Noes 7.) . Read second time. To third reading.

July 5 Withdrawn from committee. Re-referred to Com. on APPR.

June 26 From committee: Do pass, and re-refer to Com. on E.Q. Re-referred. (Ayes 6. Noes 2.) .

June 14 Referred to Coms. on G.O. and E.Q.

June 5 In Senate. Read first time. To Com. on RLS. for assignment.

June 4 Read third time, passed, and to Senate. (Ayes 48. Noes 30. Page 1802.)

June 1 From committee: Do pass. (Ayes 12. Noes 5.) (May 31). Read second time. To third reading.

May 14 Re-referred to Com. on APPR.

May 10 From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended.

Apr. 18 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 9. Noes 1.) (April 17).

Mar. 29 Referred to Com. on B. & P.

Feb. 22 From printer. May be heard in committee March 24.

Feb. 21 Read first time. To print.

Organization
CARF

Subject
Property

[AB 608](#) (De La Torre) State contracting: small business preference. (E-09/19/2007 [html](#) [pdf](#))

Status: 09/11/2007-In Assembly. To enrollment.

Current Location: 09/11/2007-A ENROLLMENT

Digest: The Small Business Procurement and Contract Act requires the directors of the Department of General Services and other state agencies entering into contracts for the provision of goods, information technology, and services to the state, and in the construction of state facilities, to provide for a preference up to and including 5% for any bid to small businesses and microbusinesses, or nonsmall businesses that provide for small business and microbusiness subcontractor participation, in solicitations where an award is to be made to the lowest responsible bidding meeting specifications.

This bill would increase the maximum percentage of the bidding preference afforded by the directors of the Department of General Services and other state agencies to small businesses and microbusinesses, or nonsmall businesses that provide for small business and microbusiness subcontractor participation to 10%.

Laws: An act to amend Section 14838 of the Government Code, relating to state contracting.

History:

Sept. 11 Read third time, passed, and to Assembly. (Ayes 24. Noes 15. Page 2609.)

Sept. 11 In Assembly. To enrollment.

Sept. 10 Withdrawn from committee. Ordered placed on third reading file. (Ayes 23. Noes 14. Page 2494.)

Aug. 30 In committee: Set, first hearing. Held under submission.

Aug. 20 In committee: Placed on Appropriations suspense file.

July 23 In committee: Hearing postponed by committee.

July 10 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 5. Noes 4.)

June 14 Referred to Com. on G.O.

June 6 In Senate. Read first time. To Com. on RLS. for assignment.

June 5 Read third time, passed, and to Senate. (Ayes 48. Noes 30. Page 1877.)

June 1 From committee: Do pass. (Ayes 12. Noes 5.) (May 31). Read second time. To third reading.

May 2 In committee: Set, first hearing. Referred to APPR. suspense file.

Apr. 18 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 4. Noes 2.) (April 17).

Apr. 10 Re-referred to Com. on J., E.D. & E.

Apr. 9 From committee chair, with author's amendments: Amend, and re-refer to Com. on J., E.D. & E. Read second time and amended.

Mar. 1 Referred to Com. on J., E.D. & E.

Feb. 22 From printer. May be heard in committee March 24.

Feb. 21 Read first time. To print.

Organization

CARF

Subject

Contracting

AB 617 (Torricco) **State contracts: information technology goods and services.** (E-09/18/2007 [html](#) [pdf](#))

Status: 09/11/2007-In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 76. Noes 0. Page 3307.)

Current Location: 09/11/2007-A ENROLLMENT

Digest: Existing law authorizes the Department of General Services to provide for progress payments in any contract for information technology goods or services that are to be manufactured or performed by the contractor, exclusively for the state, at the contractor's shop or plant, provided that not less than 10% of the contract price be withheld until final delivery and acceptance of the goods or services, and that the contractor submit a faithful performance bond, in a specified sum. This bill would, until July 1, 2013, delete the performance bond requirement, and would require the department, in consultation with the Department of Finance, to develop and maintain criteria for the evaluation of risk to the state that results from the acquisition of information technology goods or services, and would require this risk analysis to determine the need for financial protection that is in the best interest of the state, as specified. This bill would also require the department to submit the criteria developed and maintained for the

evaluation of risk to the state that results from the acquisition of information technology goods and services to the Joint Legislative Budget Committee and to the State Chief Information Officer, as specified. This bill would require the State Chief Information Officer to review all contracts approved pursuant to this provision, as specified, and to submit a report to the Legislature, as specified.

Laws: An act to amend, repeal, and add Section 12112 of the Public Contract Code, relating to public contracts.

History:

Sept. 11 In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 76. Noes 0. Page 3307.)

Sept. 10 Read third time, passed, and to Assembly. (Ayes 39. Noes 0. Page 2526.)

Sept. 6 Read third time, amended, and returned to third reading.

Aug. 31 From committee: Amend, and do pass as amended. (Ayes 17. Noes 0.) . Read second time, amended, and to third reading.

Aug. 20 In committee: Placed on Appropriations suspense file.

July 9 In committee: Hearing postponed by committee.

June 26 From committee: Do pass, and re-refer to Com. on APPR. with recommendation: To Consent Calendar. Re-referred. (Ayes 8. Noes 0.) .

June 7 Referred to Com. on G.O.

May 30 In Senate. Read first time. To Com. on RLS. for assignment.

May 29 Read third time, passed, and to Senate. (Ayes 77. Noes 0. Page 1682.)

May 24 Read second time. To Consent Calendar.

May 23 From committee: Do pass. To Consent Calendar. (May 23).

May 1 Re-referred to Com. on APPR.

Apr. 30 Read second time and amended.

Apr. 26 From committee: Amend, and do pass as amended, and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) (April 24).

Mar. 12 Referred to Com. on B. & P.

Feb. 22 From printer. May be heard in committee March 24.

Feb. 21 Read first time. To print.

Organization
CARF

Subject
Contracting

AB 649 (Ma) **Horse racing: jockeys.** (E-09/19/2007 [html](#) [pdf](#))

Status: 09/11/2007-In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 52. Noes 24. Page 3309.)

Current Location: 09/11/2007-A ENROLLMENT

Digest: Existing law establishes the California Horse Racing Board, which generally regulates horse racing in the state, including setting riding fees for jockeys that apply in the absence of an agreement regarding riding fees to the contrary.

This bill would require the scale of minimum jockey riding fees for losing mounts to be increased, effective January 1, 2008, when the state minimum wage is increased, as specified. The bill would provide that the new fees are minimum jockey riding fees. The bill would also require, effective January 1, 2008, the minimum amount awarded to a jockey who finishes 2nd or 3rd in a thoroughbred horse race to be increased. The bill would further charge the board, no later than July 1, 2008, with establishing that a jockey who rides a horse finishing in 4th place in a thoroughbred horse race receive a reasonable riding fee, as specified. The bill would state findings and declarations of the Legislature relative to jockey riding fees.

Because this bill would impose requirements, the violation of which would be a misdemeanor, pursuant to existing provisions of law, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Laws: An act to add Sections 19501 and 19619.7 to the Business and Professions Code, relating to horse racing.

History:

Sept. 11 In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 52. Noes 24. Page 3309.)

Sept. 10 Read third time, passed, and to Assembly. (Ayes 27. Noes 11.)

Page 2519.)

Sept. 6 Read second time. To third reading.

Sept. 5 Read third time, amended. To second reading.

Aug. 21 Read second time. To third reading.

Aug. 20 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR.

Aug. 20 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

July 17 Read second time, amended, and re-referred to Com. on APPR.

July 16 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 6. Noes 0.)

July 5 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

June 20 In committee: Set, first hearing. Hearing canceled at the request of author.

June 7 Referred to Com. on G.O.

May 24 Read third time, passed, and to Senate. (Ayes 46. Noes 29. Page 1620.)

May 24 In Senate. Read first time. To Com. on RLS. for assignment.

May 21 Read second time. To third reading.

May 17 From committee: Do pass. (Ayes 12. Noes 5.) (May 16).

May 2 Re-referred to Com. on APPR.

May 1 Read second time and amended.

Apr. 30 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 10. Noes 4.) (April 25).

Mar. 28 Re-referred to Com. on G.O.

Mar. 27 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.

Mar. 1 Referred to Com. on G.O.

Feb. 22 From printer. May be heard in committee March 24.

Feb. 21 Read first time. To print.

Organization

CARF

Notes: Oppose-Unless-Amended letter dated 4/20/07 authored by Drew J.

Couto, President, TOC

Subject

Horse Racing

Status: 09/12/2007-Senate amendments concurred in. To enrollment.
(Ayes 65. Noes 11. Page 3404.)

Current Location: 09/12/2007-A ENROLLMENT

Digest: Existing law requires fairs and racing associations to pay a certain percentage of the handle from races to be paid to the state as license fees, and to pay other portions of the handle out for other purposes, as specified.

This bill would authorize certain fairs or associations, or combined entities, to contribute 1% of the total amount handled daily in conventional and exotic pools for maintenance and improvements at a fair's racetrack inclosure, for those fairs that contribute. The money raised would be deposited into the Inclosure Facilities Improvement Fund, which would be created as a special fund in the State Treasury, and that money would be available upon appropriation by the Legislature in the annual Budget Act. The bill would direct the Secretary of Food and Agriculture to appoint a committee to advise on the administration of the funds raised pursuant to the provisions of the bill, and would require the secretary to report any allocations made pursuant to those provisions of the bill, as specified.

Under existing law, in addition to parimutuel wagering otherwise authorized, advance deposit wagering is authorized to be conducted, upon approval of the California Horse Racing Board. Provisions relating to the authorization of advance deposit wagering are to be repealed as of January 1, 2008.

This bill would extend that authorization indefinitely, and revise and recast provisions relating to advance deposit wagering, including clarifying terms, imposing requirements on advance deposit wagering providers, requiring the consent of a horsemen's organization before conducting advance deposit wagering on races conducted in this state, prescribing a process for hub fee agreements and disputes, and revising how the proceeds from advance deposit wagers are distributed. The bill would make additional conforming changes by deleting alternate provisions of law related thereto.

Under existing law, revenues distributed to the state as license fees from horse racing are required to be deposited in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes.

Because this bill would revise the amount of money deposited into, and distributed from, that fund, it would make an appropriation.

Vote: ~~majority~~ 2/3 . Appropriation: ~~no~~ yes . Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Section 19605.72 of, to amend and repeal Sections 19411, 19590, and 19595 of, and to add Sections 19601.4 and 19604 to, the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

History:

Sept. 12 Senate amendments concurred in. To enrollment. (Ayes 65. Noes 11. Page 3404.)

Sept. 11 Read third time, passed, and to Assembly. (Ayes 29. Noes 7. Page 2556.)

Sept. 11 In Assembly. Concurrence in Senate amendments pending. Re-referred to Com. on G.O. pursuant to Assembly Rule 77.2. (Page 3263.) Joint Rule 62(a), file notice waived. (Page 3263.) From committee: With recommendation: That Senate amendments be concurred in. (Ayes 12. Noes 1.) (September 11).

Sept. 10 Re-referred to Com. on RLS. pursuant to Senate Rule 29.10. Re-referred to Com. on G.O. pursuant to Senate Rule 29.10. (Ayes 4. Noes 0.) From committee: Do pass. (Ayes 5. Noes 0.) . Ordered to third reading. Read third time, passage refused. (Ayes 24. Noes 12. Page 2536.) Motion to reconsider made by Senator Florez. Reconsideration granted. (Page 2536.)

Sept. 7 Read third time, amended, and returned to third reading.

Aug. 28 Read second time, amended, and to third reading.

Aug. 27 From committee: Amend, and do pass as amended. (Ayes 13. Noes 0.) .

July 10 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 5. Noes 0.) .

June 14 Referred to Com. on G.O.

June 7 In Senate. Read first time. To Com. on RLS. for assignment.

June 6 Read third time, passed, and to Senate. (Ayes 74. Noes 1. Page 2035.)

June 5 Read second time. To third reading.

June 4 From committee: Amend, and do pass as amended. (Ayes 12. Noes 0.) (May 31). Read second time and amended. Ordered returned to second reading.

May 31 In committee: Set, first hearing. Referred to APPR. suspense file.

May 24 Re-referred to Com. on APPR.

May 23 From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended.

May 22 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 6. Noes 3.) (May 21).
 Apr. 26 From committee: Do pass, and re-refer to Com. on REV. & TAX. Re-referred. (Ayes 9. Noes 5.) (April 25).
 Apr. 12 Re-referred to Com. on G.O.
 Apr. 11 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.
 Mar. 15 Referred to Coms. on G.O. and REV. & TAX.
 Feb. 23 From printer. May be heard in committee March 25.
 Feb. 22 Read first time. To print.

<i>Organization</i>	<i>Position</i>	<i>Subject</i>
CARF	Support	Horse Racing
<i>Notes: Support letter dated 3/19/07 authored by C. Korby</i>		
<i>Support letter dated 5/10/07 authored by L. Brown</i>		
<i>Support letter dated 7/5/07 authored by L. Brown</i>		
<i>Support letter dated 9/18/07 authored by L. Brown</i>		

AB (Richardson) Horse racing: county fairs. (C-09/10/2007 [html](#) [pdf](#))
1286

Status: 09/10/2007-Chaptered by the Secretary of State, Chapter Number 202, Statutes of 2007

Current Location: 09/10/2007-A CHAPTERED

Digest: Existing law authorizes satellite wagering, as specified. Existing law provides that all revenues distributed to the state as license fees from horse racing are required to be deposited in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes. This bill would authorize the Alameda County Fair to operate 2 additional satellite wagering facilities, with certain approval, as specified. The bill would also authorize the Los Angeles County Fair to conduct satellite wagering at one additional location, under certain conditions. By expanding wagering on horse racing by authorizing additional satellite wagering facilities, this bill would increase the amount of continuously appropriated license fees, thereby making an appropriation. Appropriation: yes.

Laws: An act to add Sections 19605.46 and 19605.47 to the Business and Professions Code, relating to horse racing, and making an appropriation

therefor.

History:

Sept. 10 Approved by the Governor.

Sept. 10 Chaptered by Secretary of State - Chapter 202, Statutes of 2007.

Aug. 29 Enrolled and to the Governor at 12:15 p.m.

Aug. 27 Read third time, passed, and to Assembly. (Ayes 29. Noes 5. Page 2111.)

Aug. 27 In Assembly. To enrollment.

July 25 Read second time. To third reading.

July 20 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

July 10 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 6. Noes 0.) .

June 7 Referred to Com. on G.O.

May 30 In Senate. Read first time. To Com. on RLS. for assignment.

May 29 Read third time, passed, and to Senate. (Ayes 72. Noes 1. Page 1670.)

May 21 Read second time. To third reading.

May 17 From committee: Do pass. (Ayes 17. Noes 0.) (May 16).

Apr. 26 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 14. Noes 0.) (April 25).

Mar. 26 Referred to Com. on G.O.

Feb. 26 Read first time.

Feb. 25 From printer. May be heard in committee March 27.

Feb. 23 Introduced. To print.

Organization

CARF

Subject

Horse Racing

[AB 1339](#) **(Torrico) Problem and pathological gambling.** (E-09/12/2007 [html](#) [pdf](#))

Status: 09/12/2007-Senate amendments concurred in. To enrollment. (Ayes 73. Noes 4. Page 3328.)

Current Location: 09/12/2007-A ENROLLMENT

Digest: Existing law establishes the Office of Problem and Pathological Gambling within the State Department of Alcohol and Drugs Programs for the purpose of developing a problem gambling prevention program,

including, but not limited to, a public awareness campaign, and requires the office to develop a statewide plan to address problem and pathological gambling.

This bill would specify the programs to be included in the plan, would require the plan to serve as the state's strategic plan for the prevention, intervention, detection, treatment, and research of problem and pathological gambling behaviors, and would require that the plan be updated periodically, at the discretion of the office.

This bill would establish the Problem and Pathological Gambling Advisory Board and would set forth its advisory duties. The bill would require the office to revise its strategic plan, as necessary, and to deliver it to the Governor and the Legislature by July 1, 2009.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Sections 4369.1, 4369.2, and 4369.3 of, and to repeal and add Section 4369.4 of, the Welfare and Institutions Code, relating to problem and pathological gambling.

History:

Sept. 12 Senate amendments concurred in. To enrollment. (Ayes 73. Noes 4. Page 3327.)

Sept. 11 In Assembly. Concurrence in Senate amendments pending.

Sept. 10 Read third time, passed, and to Assembly. (Ayes 24. Noes 12.)

Sept. 4 From committee: Amend, and do pass as amended. (Ayes 12. Noes 5.) . Read second time and amended. Ordered to third reading.

Aug. 20 In committee: Placed on Appropriations suspense file.

July 17 Read second time, amended, and re-referred to Com. on APPR.

July 16 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 7. Noes 1.) .

July 3 Read second time, amended, and re-referred to Com. on G.O.

July 2 From committee: Amend, do pass as amended, and re-refer to Com. on G.O. (Ayes 8. Noes 3.) .

June 14 Referred to Coms. on HEALTH and G.O.

June 5 In Senate. Read first time. To Com. on RLS. for assignment.

June 4 Read third time, passed, and to Senate. (Ayes 77. Noes 2. Page 1827.)

June 1 From committee: Do pass. (Ayes 12. Noes 5.) (May 31). Read second time. To third reading.

May 10 In committee: Set, first hearing. Referred to APPR. suspense file.

Apr. 26 From committee: Do pass, and re-refer to Com. on APPR. with recommendation: To Consent Calendar. Re-referred. (Ayes 12. Noes 0.) (April 25).

Apr. 19 Re-referred to Com. on G.O.

Apr. 18 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.

Mar. 15 Referred to Com. on G.O.

Feb. 26 Read first time.

Feb. 25 From printer. May be heard in committee March 27.

Feb. 23 Introduced. To print.

Organization

CARF

Subject

Gambling

AB (Garrick) Horse racing; prohibited substances: administrative hearings.
1616 (E-09/12/2007 [html](#) [pdf](#))

Status: 09/12/2007-Senate amendments concurred in. To enrollment.
(Ayes 75. Noes 0. Page 3334.)

Current Location: 09/12/2007-A ENROLLMENT

Digest: Existing law requires enforcement proceedings relating to the use of prohibited substances during a horse race be referred to the Office of Administrative Hearings for adjudication, as specified.

This bill would instead require referral to either a Board of Stewards or hearing officer appointed by the California Horse Racing Board, *as specified*, at the election of the respondent.

Existing law also provides that the California Horse Racing Board shall neither modify nor amend a proposed decision by the administrative law judge so as to increase any sanction or penalty contemplated in the proposed decision, and that the board may, by means of a written decision that includes the reasons for its decision, modify or amend a proposed decision by the administrative law judge so as to decrease, mitigate, or suspend a sanction or penalty contemplated in the proposed decision.

The bill would repeal those provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Section 19517.5 of the Business and Professions

Code, relating to horse racing.

History:

Sept. 12 Senate amendments concurred in. To enrollment. (Ayes 75. Noes 0. Page 3333.)

Sept. 11 In Assembly. Concurrence in Senate amendments pending.

Sept. 10 Read third time, passed, and to Assembly. (Ayes 24. Noes 13. Page 2519.)

Sept. 6 Read second time. To third reading.

Sept. 5 Read third time, amended. To second reading.

June 26 Read second time. To third reading.

June 25 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 12 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 6. Noes 1.) .

May 24 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

May 17 Referred to Com. on G.O.

May 10 Read third time, passed, and to Senate. (Ayes 72. Noes 0. Page 1437.)

May 10 In Senate. Read first time. To Com. on RLS. for assignment.

May 7 Read second time. To Consent Calendar.

May 3 From committee: Do pass. To Consent Calendar. (May 2).

May 1 Re-referred to Com. on APPR.

Apr. 30 From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended.

Apr. 19 From committee: Do pass, and re-refer to Com. on APPR. with recommendation: To Consent Calendar. Re-referred. (Ayes 13. Noes 0.) (April 18).

Apr. 10 Re-referred to Com. on G.O.

Apr. 9 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.

Mar. 26 Referred to Com. on G.O.

Feb. 26 Read first time.

Feb. 25 From printer. May be heard in committee March 27.

Feb. 23 Introduced. To print.

Organization

CARF

Subject

Horse Racing

[AB 1736](#) (Committee on Governmental Organization) Horse racing. (E-09/12/2007 [html](#) [pdf](#))

Status: 09/12/2007-In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 67. Noes 1. Page 3414.)

Current Location: 09/12/2007-A ENROLLMENT

Digest: Existing law regulates the number of out-of-state races that may be imported, exclusive of races that are part of the race card of specified events.

This bill would add Travers Stakes to the list of events not included in the limitation on imported races.

Existing law requires any racing association or fair that conducts thoroughbred racing to pay to the owners' organization a certain portion of the purses for a national marketing program, until January 1, 2008.

Existing law also authorizes racing associations, fairs, and other related organizations to form a private, statewide marketing organization to market and promote thoroughbred and fair horse racing, and to obtain, provide, or defray the cost of workers' compensation coverage for stable employees and jockeys of thoroughbred trainers. A specified percentage of the amount handled by each satellite wagering facility is required to be distributed to that statewide marketing organization. These provisions will be repealed as of January 1, 2008.

This bill would extend the repeal date for the above provisions until January 1, 2011.

Under existing law, revenues distributed to the state as license fees from horse racing are required to be deposited in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes.

This bill would authorize additional wagering, and would increase the amount of continuously appropriated license fees, thereby making an appropriation. *This bill would incorporate an additional change to Section 19596.2 of the Business and Professions Code proposed by SB 379 contingent on the prior enactment of that bill.*

Vote: 2/3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Sections 19596.2, 19605.73, and 19613.05 of the

Business and Professions Code, relating to horse racing, and making an appropriation therefor.

History:

Sept. 12 Read third time, passed, and to Assembly. (Ayes 33. Noes 1. Page 2650.)

Sept. 12 In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To enrollment. (Ayes 67. Noes 1. Page 3414.)

Sept. 11 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

Sept. 10 Re-referred to Com. on RLS. pursuant to Senate Rule 29.10. Re-referred to Com. on APPR. pursuant to Senate Rule 29.10. (Ayes 4. Noes 0.)

Sept. 7 Read third time, amended, and returned to third reading.

Sept. 4 Read second time. To third reading.

Aug. 31 Read third time, amended. To second reading.

July 16 From Consent Calendar. To third reading.

July 11 Read second time. To Consent Calendar.

July 10 From committee: Do pass. To Consent Calendar.

July 2 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

May 17 Referred to Com. on G.O.

May 7 Read third time, passed, and to Senate. (Ayes 74. Noes 0. Page 1357.)

May 7 In Senate. Read first time. To Com. on RLS. for assignment.

Apr. 24 Read second time. To third reading.

Apr. 23 Withdrawn from committee. Ordered placed on second reading file.

Apr. 19 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 13. Noes 0.) (April 18).

Mar. 29 Referred to Com. on G.O.

Mar. 15 Read first time. To print.

Organization
CARF

Subject
Horse Racing

Status: 09/11/2007-Enrolled. To Governor at 9 a.m.

Current Location: 09/11/2007-S ENROLLED

Digest: The Gambling Control Act permits a city, county, or city and county to permit controlled gambling, consistent with state law, if a majority of voters affirmatively approve an ordinance so permitting, as specified. That law provides that an amendment of an ordinance permitting an expansion of gambling, within a specified threshold, may occur without voter approval. Under that law, any amendment to a city or county ordinance relating to gambling establishments or the Gambling Control Act is required to be submitted to the Division of Gambling Control for review and comment before the ordinance is adopted by the city or county. That law permits, without voter approval, an amendment to an ordinance permitting an increase of 24.99% in the number of gambling tables that may be operated in a gambling establishment in a city, county, or city and county, or 2 gambling tables, whichever is greater, compared to the ordinance in effect on January 1, 1996. This bill would further permit, without voter approval, a city, county, or city and county to amend an ordinance to increase the number of gambling tables that may be operated in a gambling establishment by a change that results in an increase not to exceed 45% when compared to the ordinance in effect on July 1, 2007, if the ordinance in effect on July 1, 2007, prohibits more than 12 gambling tables from being operated in a gambling establishment.

Laws: An act to add Section 19965 to the Business and Professions Code, relating to gambling.

History:

Sept. 11 Enrolled. To Governor at 9 a.m.

Sept. 5 Senate concurs in Assembly amendments. (Ayes 24. Noes 10. Page 2320.) To enrollment.

Sept. 4 Read third time. Passed. (Ayes 56. Noes 16. Page 2843.) To Senate.

Sept. 4 In Senate. To unfinished business.

Aug. 30 Read third time. Amended. To third reading.

Aug. 27 Read third time. Amended. To third reading.

July 16 Read second time. To third reading.

July 12 From committee: Do pass. (Ayes 15. Noes 1.)

June 21 From committee: Do pass, but be re-referred to Com. on APPR. (Ayes 14. Noes 0.) Re-referred to Com. on APPR.

June 12 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on G.O.

May 17 To Com. on G.O.

Apr. 26 Read third time. Passed. (Ayes 26. Noes 7. Page 756.) To Assembly.

Apr. 26 In Assembly. Read first time. Held at Desk.

Apr. 18 Read second time. To third reading.

Apr. 17 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

Mar. 27 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 5. Noes 1. Page 385.) Re-referred to Com. on APPR. Set for hearing April 16.

Mar. 14 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on G.O. Set for hearing March 27.

Feb. 15 To Com. on G.O.

Jan. 30 From print. May be acted upon on or after March 1.

Jan. 29 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization
CARF

Subject
Ordinances

SB 281 (Maldonado) District agricultural associations: goods and property. (E-09/19/2007 [html](#) [pdf](#))

Status: 09/19/2007-Enrolled. To Governor at 11:45 a.m.

Current Location: 09/19/2007-S ENROLLED

Digest: Under existing law, a district agricultural association, with the approval of the Department of Food and Agriculture and the Department of General Services, may enter into contracts, purchase, convey, sell, or lease property, or engage in several other types of legal transactions. This bill would require the Department of Food and Agriculture to develop criteria to be used, subject to the approval of the Department of General Services, for the disposal of property by a district agricultural association and the California Exposition and State Fair.

Existing law provides that there is in the department the California Citrus Advisory Committee, comprised as specified. The committee is required to develop and make recommendations to the Secretary of Food and Agriculture on all matters regarding the implementation of an inspection

program.

This bill would specify that procedures for implementing an inspection program shall include, but not be limited to, a mandatory hold for inspection prior to the shipping, following a citrus freeze.

Laws: An act to add Section 4059 to, and to amend Section 48001 of, the Food and Agricultural Code, relating to agriculture.

History:

Sept. 19 Enrolled. To Governor at 11:45 a.m.

Sept. 12 Senate concurs in Assembly amendments. (Ayes 37. Noes 1. Page 2661.) To enrollment.

Sept. 11 In Senate. To unfinished business.

Sept. 10 Read third time. Passed. (Ayes 77. Noes 0. Page 3192.) To Senate.

Sept. 7 Read third time. Amended. To third reading.

Sept. 4 Read second time. To third reading.

Aug. 31 Read second time. Amended. To second reading. (Corrected September 5.)

Aug. 30 From committee: Do pass as amended. (Ayes 17. Noes 0.)

July 11 Set, first hearing. Referred to APPR. suspense file.

July 5 From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) Re-referred to Com. on APPR.

June 28 From committee: Do pass, but first be re-referred to Com. on B. & P. (Ayes 8. Noes 0.) Re-referred to Com. on B. & P. From committee with author's amendments. Read second time. Amended. Re-referred to Com. on B. & P.

June 20 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on AGRI.

June 4 To Coms. on AGRI. and B. & P.

May 24 Read third time. Passed. (Ayes 35. Noes 1. Page 1059.) To Assembly.

May 24 In Assembly. Read first time. Held at Desk.

May 10 Read second time. Amended. To third reading.

May 9 From committee: Do pass as amended. (Ayes 15. Noes 0. Page 886.)

Apr. 25 Set for hearing May 7.

Apr. 24 From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 8. Noes 0. Page 711.) Re-referred to Com. on APPR.

Apr. 9 Set for hearing April 24.

Mar. 28 From committee: Do pass, but first be re-referred to Com. on G.O. with recommendation: To Consent Calendar. (Ayes 5. Noes 0. Page 410.)
Re-referred to Com. on G.O.
Mar. 21 Set for hearing March 27.
Mar. 19 Hearing postponed by committee.
Mar. 6 Set for hearing March 20.
Feb. 22 To Coms. on AGRI. and G.O.
Feb. 16 From print. May be acted upon on or after March 18.
Feb. 15 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

Notes: Support letter dated 3/13/07

Subject

Property

SB 282 (Cox) State Fair Leasing Authority. (E-09/14/2007 [html](#) [pdf](#))

Status: 09/14/2007-Enrolled. To Governor at 4 p.m.

Current Location: 09/14/2007-S ENROLLED

Digest: Existing law authorizes 2 or more public agencies to enter into a joint powers agreement to conduct agricultural, industrial, cultural, or other fairs or expositions. Under existing law, entities formed pursuant to a joint powers agreement have the authority to issue revenue bonds for the purposes of conducting a program or completing a project under its jurisdiction.

This bill would authorize the formation of a joint powers entity, the State Fair Leasing Authority, to be composed of the Department of Food and Agriculture, the Department of Finance, the Department of General Services, and the California Exposition and State Fair, appointed as specified. The authority would be authorized to enter into leases or other agreements for the use of the State Fair Race Track or any other property owned or controlled by the California Exposition and State Fair, and to enter into indebtedness, including issuing bonds, in order to carry out its purposes. The bill would require the California Exposition and State Fair, in consultation with the authority, to prepare a master plan approved by the board of directors of the fair for the long-range comprehensive development and improvement of the property of the California Exposition and State Fair.

Laws: An act to add Chapter 5 (commencing with Section 3351) to Part 2

of Division 3 of the Food and Agricultural Code, relating to state fairs.

History:

Sept. 14 Enrolled. To Governor at 4 p.m.
Sept. 11 Senate concurs in Assembly amendments. (Ayes 40. Noes 0. Page 2604.) To enrollment.
Sept. 10 Read third time. Passed. (Ayes 75. Noes 0. Page 3172.) To Senate.
Sept. 10 In Senate. To unfinished business.
Sept. 7 Read third time. Amended. To third reading.
Aug. 31 Read second time. To third reading.
Aug. 30 From committee: Do pass. (Ayes 17. Noes 0.)
Aug. 22 Set, first hearing. Referred to APPR. suspense file.
July 12 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 14. Noes 0.) Re-referred to Com. on APPR.
July 3 Read second time. Amended. Re-referred to Com. on G.O.
July 2 From committee: Do pass as amended, but first amend, and re-refer to Com. on G.O. (Ayes 7. Noes 0.)
June 21 To Coms. on AGRI. and G.O.
June 7 Read third time. Passed. (Ayes 37. Noes 2. Page 1328.) To Assembly.
June 7 In Assembly. Read first time. Held at Desk.
June 5 From committee: Do pass as amended. (Ayes 16. Noes 0. Page 1211.) Read second time. Amended. To third reading.
May 25 Set for hearing May 31.
Apr. 23 Placed on APPR. suspense file.
Apr. 12 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 8. Noes 0. Page 540.) Re-referred to Com. on APPR. Set for hearing April 23.
Mar. 28 Set for hearing April 10.
Feb. 22 To Com. on G.O.
Feb. 16 From print. May be acted upon on or after March 18.
Feb. 15 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization
CARF

Subject
Fairs

Status: 09/11/2007-Enrolled. To Governor at 9 a.m.

Current Location: 09/11/2007-S ENROLLED

Digest: Existing law provides that a thoroughbred racing association or fair may distribute the audiovisual signal and accept wagers on the results of out-of-state and out-of-country thoroughbred races during the calendar period the association or fair is conducting a race meeting, provided that the total number of thoroughbred races on which wagers are accepted statewide in any given year does not exceed the total number of thoroughbred races on which wagers were accepted in 1998. Existing law further prohibits the total number of thoroughbred races imported by associations or fairs from exceeding 23 per day on days when live thoroughbred or fair racing is being conducted in the state. However, that limitation excludes races imported that are part of the race card of the Kentucky Derby, Kentucky Oaks, and other specified races. This bill would add the Dubai Cup to the list of imported races not subject to the limitation of 23 races per day.

Under existing law, revenues distributed to the state as license fees from horse racing are required to be deposited in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes. This bill would authorize additional wagering, and would increase the amount of continuously appropriated license fees, thereby making an appropriation.

Appropriation: yes.

Laws: An act to amend Section 19596.2 of the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

History:

Sept. 11 Enrolled. To Governor at 9 a.m.

Sept. 4 Read third time. Passed. (Ayes 71. Noes 2. Page 2849.) To Senate.

Sept. 4 In Senate. To enrollment.

Aug. 27 Read second time. To third reading.

Aug. 23 From committee: Do pass. (Ayes 16. Noes 0.)

July 12 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 13. Noes 0.) Re-referred to Com. on APPR.

June 20 Set, first hearing. Hearing canceled at the request of author.

May 24 To Com. on G.O.

May 17 Read third time. Passed. (Ayes 36. Noes 1. Page 988.) To

Assembly.

May 17 In Assembly. Read first time. Held at Desk.

Apr. 24 Read second time. To third reading.

Apr. 23 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

Apr. 12 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 8. Noes 0. Page 540.) Re-referred to Com. on APPR. Set for hearing April 23.

Mar. 15 Set for hearing April 10.

Feb. 28 To Com. on G.O.

Feb. 22 From print. May be acted upon on or after March 24.

Feb. 21 Introduced. Read first time. To Com. on RLS. for assignment. To print.

<i>Organization</i>	<i>Position</i>	<i>Subject</i>
CARF	Support	Horse Racing
<i>Notes: SUPPORT letter dated 4/2/07 (L. Brown)</i>		
<i>Support letter dated 9-14-07 authored by Louie Brown</i>		

SB 567 (Aanestad) State property. (A-07/17/2007 [html](#) [pdf](#))

Status: 09/11/2007-Placed on inactive file on request of Senator Aanestad.

Current Location: 09/11/2007-S INACTIVE FILE

Digest: ~~(1) Existing~~

Existing law authorizes the Director of General Services to dispose of state surplus property, subject to specified conditions, including authorization by the Legislature.

This bill would authorize the director to sell, exchange, or lease for fair market value upon those terms and conditions determined by the director, 6 specified parcels of state property. It would provide that, unless otherwise provided by law, the net proceeds of the conveyance would be paid into the Deficit Recovery Bond Retirement Sinking Fund Subaccount, which is a continuously appropriated subaccount in the Budget Stabilization Account, thereby making an appropriation. The bill would require reimbursement to the Department of General Services for any cost or expense incurred in the disposition of the property from the net proceeds of the disposition.

~~(2) The California Environmental Quality Act (CEQA) requires a lead agency to evaluate whether an activity is a project subject to CEQA or comes within an exemption, and if the activity is determined to be a~~

~~project to prepare, or cause to be prepared, and certify the completion of, an environmental impact report or to adopt a negative declaration, as required. CEQA provides for specified exemptions from its provisions. This bill would provide that any sale, exchange, sale combined with an exchange, lease, or transfer of the parcels described in the bill would be exempt from certain provisions of CEQA.~~

Vote: 2/3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

Laws: An act relating to state property, and making an appropriation therefor.

History:

Sept. 11 Read third time. Passed. (Ayes 78. Noes 0. Page 3233.) To Senate.

Sept. 11 In Senate. To unfinished business.

Sept. 11 Placed on inactive file on request of Senator Aanestad.

Aug. 30 From Consent Calendar to third reading.

Aug. 27 Read second time. To Consent Calendar.

Aug. 23 From committee: Do pass. To Consent Calendar. (Ayes 16. Noes 0.)

July 17 Read second time. Amended. Re-referred to Com. on APPR.

July 16 From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 8. Noes 0.)

July 5 From committee: Do pass, but first be re-referred to Com. on NAT. RES. (Ayes 8. Noes 0.) Re-referred to Com. on NAT. RES.

June 26 Set, second hearing. Failed passage in committee. Reconsideration granted.

June 14 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on B. & P.

June 12 Set, first hearing. Hearing canceled at the request of author.

May 31 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on B. & P.

May 17 To Com. on B. & P.

Apr. 26 Read third time. Passed. (Ayes 39. Noes 0. Page 760.) To Assembly.

Apr. 26 In Assembly. Read first time. Held at Desk.

Apr. 25 To Special Consent Calendar.

Apr. 24 Read second time. To third reading.

Apr. 23 From committee: Do pass. (Ayes 17. Noes 0. Page 688.)

Apr. 12 From committee: Do pass, but first be re-referred to Com. on

APPR. (Ayes 8. Noes 0. Page 540.) Re-referred to Com. on APPR. Set for hearing April 23.

Apr. 9 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on G.O.

Mar. 14 Set for hearing April 10.

Mar. 8 To Com. on G.O.

Feb. 23 From print. May be acted upon on or after March 25.

Feb. 22 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

Subject

Property

SB 730 (Florez) Gambling: licenses. (E-09/20/2007 [html](#) [pdf](#))

Status: 09/20/2007-Enrolled. To Governor at 10 a.m.

Current Location: 09/20/2007-S ENROLLED

Digest: (1) The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law provides for the enforcement of those activities by the Department of Justice. Existing law requires certain persons employed in the operation of a gambling enterprise, known as key employees, to apply for and obtain a key employee license. Existing law requires that licenses issued to key employees be for specified positions only, and that the positions be enumerated on an endorsement on the license. Existing law requires a key employee license to be endorsed on the license that is issued to the owner of the gambling enterprise.

This bill would delete the requirement that licenses issued to key employees be for specified positions only, and would delete the requirement that those licenses be endorsed on the owner's license, as specified. The bill would provide that a key employee license shall entitle the holder to work as a key employee in any key employee position at any gambling establishment, provided that the key employee terminates employment with one gambling establishment before commencing work for another. The bill would also require the commission to establish a program for portable personal licenses for key employees, and would require the commission to seek to implement that program on or before

July 1, 2008.

(2) Existing law requires that an application for a license or a determination of suitability be accompanied by a deposit that, in the judgment of the head of the entity within the Department of Justice that is responsible for fulfilling the obligations imposed by the act, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of the application. Existing law requires the head of that entity to adopt a schedule of costs and charges of investigation for use as guidelines in fixing the amount of any required deposit under these provisions.

This bill would require that schedule to distinguish between initial and renewal licenses with respect to costs and charges.

(3) Existing law requires that a gambling license be renewed annually, or for a longer period that the commission may set, not to exceed 2 years, upon proper application for renewal and payment of state gambling fees as required by statute or regulation.

This bill would require, instead, that a gambling license be renewed upon application for renewal and payment of state gambling fees as required by statute or regulation. The bill would provide that licenses renewed on or before July 31, 2008, shall be for the renewal period in effect at the time of the renewal but shall not expire any sooner than 15 months after the approval of the renewal application, and that licenses renewed on or after August 1, 2008, shall expire 24 months after the date of the approval of the renewal application or after the expiration of the prior license, whichever is later.

(4) Existing law requires every gambling license application to be accompanied by a nonrefundable fee of \$500, which is assessed against the gambling license issued to the owner of the gambling establishment. This bill would require that fee be raised by regulation, not to exceed \$1,200, by January 1, 2009, and would exempt key employee licenses from the above-described assessment, as specified.

(5) The bill would provide that gaming chips may be used on the gaming floor by a patron of a gambling establishment, as defined, to pay for food and beverage items that are served at the table.

Laws: An act to amend Sections 19801, 19805, 19851, 19853, 19854, 19867, 19876, and 19951 of the Business and Professions Code, and to add Section 336.5 to the Penal Code, relating to gambling.

History:

Sept. 20 Enrolled. To Governor at 10 a.m.

Sept. 12 Unanimous consent granted to consider without reference to file. Senate concurs in Assembly amendments. (Ayes 21. Noes 15. Page 2667.) To enrollment.

Sept. 11 Re-referred to Com. on RLS. pursuant to Senate Rule 29.10. From committee: Be re-referred to Com. on G.O. pursuant to Senate Rule 29.10. (Ayes 5. Noes 0. Page 2551.) Re-referred to Com. on G.O. From committee: That the Assembly amendments be concurred in. (Ayes 5. Noes 0. Page 2673.)

Sept. 10 Read third time. Passed. (Ayes 68. Noes 5. Page 3167.) To Senate.

Sept. 10 In Senate. To unfinished business.

Sept. 6 Read third time. Amended. To third reading.

Aug. 27 Read second time. To third reading.

Aug. 23 From committee: Do pass. (Ayes 16. Noes 0.)

Aug. 20 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on APPR.

July 17 Read second time. Amended. Re-referred to Com. on APPR.

July 16 From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 15. Noes 0.)

July 5 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on G.O.

May 24 To Com. on G.O.

May 17 Read third time. Passed. (Ayes 38. Noes 0. Page 999.) To Assembly.

May 17 In Assembly. Read first time. Held at Desk.

May 16 Read second time. To third reading. To Special Consent Calendar.

May 15 From committee: Do pass. (Ayes 13. Noes 0. Page 969.)

May 9 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on APPR.

May 3 Hearing postponed by committee. Set for hearing May 14.

Apr. 25 Set for hearing May 7.

Apr. 24 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 8. Noes 0. Page 713.) Re-referred to Com. on APPR.

Apr. 9 Set for hearing April 24.

Mar. 8 To Com. on G.O.

Feb. 26 Read first time.

Feb. 24 From print. May be acted upon on or after March 26.

Feb. 23 Introduced. To Com. on RLS. for assignment. To print.

Organization

Subject

SB 754 (Kehoe) State property: leases. (E-09/12/2007 [html](#) [pdf](#))**Status:** 09/12/2007-Enrolled. To Governor at 4 p.m.**Current Location:** 09/12/2007-S ENROLLED

Digest: Existing law authorizes the Director of General Services, with the consent of the state agency involved, to let for a period not to exceed 5 years, any real or personal property that belongs to the state, subject to specified conditions. Any money received in connection with these leases is required to be deposited in the Property Acquisition Law Money Account and be available to the department upon appropriation by the Legislature.

This bill, notwithstanding existing law, would authorize the Director of General Services, with the consent of the Department of Motor Vehicles, to lease or exchange, for a term of years, as determined by the director, specified parcels of real property that are acquired and used by the state for the benefit of the Department of Motor Vehicles, subject to specified conditions. This bill would also provide that the proceeds from the lease or exchange of that property shall be deposited in the Motor Vehicle Account in the State Transportation Fund and shall be available to the Department of Motor Vehicles, thereby making an appropriation. This bill would also require that a mixed-use facility be located at the current state-owned site unless there are mitigating circumstances requiring relocation. If relocation is necessary, the bill would require that the replacement facility be located within the geographic area that serves the current customer base. This bill would also require the Department of General Services and the Department of Motor Vehicles, jointly, to notify the Joint Legislative Budget Committee prior to entering into any lease that is 30 years or longer and to report the terms and conditions of any lease 45 days prior to entering into that lease. This bill would also require that a lease or exchange of properties be for no less than fair market value and upon terms and conditions that are determined to be in the best interest of the state. This bill would also require reimbursement to the Department of General Services for any cost or expense incurred in the disposition or lease of any parcels.

Appropriation: yes.

Laws: An act to add Section 14670.2 to the Government Code, relating to

state property, and making an appropriation therefor.

History:

Sept. 12 Enrolled. To Governor at 4 p.m.

Sept. 6 Senate concurs in Assembly amendments. (Ayes 35. Noes 1. Page 2362.) To enrollment.

Sept. 5 Read third time. Passed. (Ayes 76. Noes 2. Page 2917.) To Senate.

Sept. 5 In Senate. To unfinished business.

Aug. 20 Read second time. To third reading.

July 19 From committee: Do pass. (Ayes 16. Noes 0.)

July 12 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on APPR.

July 5 From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) Re-referred to Com. on APPR.

June 27 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on B. & P.

May 24 To Com. on B. & P.

May 17 Read third time. Passed. (Ayes 36. Noes 1. Page 990.) To Assembly.

May 17 In Assembly. Read first time. Held at Desk.

Apr. 26 Read second time. Amended. To third reading.

Apr. 25 From committee: Do pass as amended. (Ayes 16. Noes 0. Page 688.)

Apr. 16 Set, first hearing. Hearing canceled at the request of author. Set for hearing April 23.

Mar. 27 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 7. Noes 0. Page 386.) Re-referred to Com. on APPR. Set for hearing April 16.

Mar. 13 Set for hearing March 27.

Mar. 8 To Com. on G.O.

Feb. 26 Read first time.

Feb. 24 From print. May be acted upon on or after March 26.

Feb. 23 Introduced. To Com. on RLS. for assignment. To print.

Organization

CARF

Subject

Property

Status: 09/11/2007-Placed on inactive file on request of Assembly Member Levine.

Current Location: 09/11/2007-A INACTIVE FILE

Digest: Existing law expresses the intent of the Legislature in authorizing parimutuel wagering on horse races, including encouraging agriculture and the breeding of horses in this state.

This bill would include in that provision helping to ensure a sufficient supply of horses for horse racing in California.

Existing law establishes the California Horse Racing Board ~~and establishes in the board jurisdiction over meetings, and persons involved in the operation of the meetings, in the state where horse races with wagering on the results are held, consisting of 7 members appointed by the Governor .~~

This bill would prohibit more than 3 members of the board who are licensed to participate in the horse racing industry from serving on the board at the same time ~~, as specified~~. This bill would also require the board to promulgate and adopt regulations regarding conflicts of interest and ethics for the board, as specified.

Existing law provides that the Governor may remove any member of the board for incompetence, neglect of duty, or corruption upon first giving the member a copy of the charges against him or her and an opportunity to be heard.

This bill would instead provide that the Governor may remove any member of the board for any reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Sections 19401 and 19426 of, and to add Sections 19421.3 and 19421.5 to, the Business and Professions Code, relating to horse racing.

History:

Sept. 11 Placed on inactive file on request of Assembly Member Levine.

Aug. 27 Read second time. To third reading.

Aug. 23 From committee: Do pass. (Ayes 11. Noes 4.)

July 17 Read second time. Amended. Re-referred to Com. on APPR.

July 16 From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 9. Noes 6.)

June 28 To Com. on G.O. From committee with author's amendments. Read second time. Amended. Re-referred to Com. on G.O.

May 24 Read third time. Passed. (Ayes 33. Noes 2. Page 1056.) To Assembly.

May 24 In Assembly. Read first time. Held at Desk.

May 9 Read second time. To third reading.

May 8 From committee: Do pass. (Ayes 8. Noes 0. Page 890.)

Apr. 9 Set for hearing May 8.

Mar. 15 To Com. on G.O.

Feb. 26 Read first time.

Feb. 25 From print. May be acted upon on or after March 27.

Feb. 23 Introduced. To Com. on RLS. for assignment. To print.

Organization

CARF

Subject

Horse Racing

[SB 941](#) (Padilla) Tribal gaming: compact ratification. (E-09/12/2007 [html](#) [pdf](#))

Status: 09/12/2007-Enrolled. To Governor at 4 p.m.

Current Location: 09/12/2007-S ENROLLED

Digest: Existing federal law, the Indian Gaming Regulatory Act, provides for the negotiation and execution of tribal-state gaming compacts for the purpose of authorizing certain types of gaming on Indian lands within a state. The California Constitution authorizes the Governor to negotiate and conclude compacts. Existing law expressly ratifies a number of tribal-state gaming compacts, and amendments of tribal-state gaming compacts, between the State of California and specified Indian tribes.

This bill would ratify an amendment to a tribal-state gaming compact entered into between the State of California and the San Manuel Band of Mission Indians, executed on August 28, 2006. The bill would provide that the terms of that amended compact shall apply only to the State of California and the tribe that has signed it, and shall not bind any tribe that is not a signatory to the amended compact. The bill would require that related revenue contributions be deposited into the General Fund, except as specified, and would provide that, in deference to tribal sovereignty, certain actions may not be deemed projects for purposes of the California Environmental Quality Act.

Laws: An act to add Section 12012.47 to the Government Code, relating to gaming.

History:

Sept. 12 Enrolled. To Governor at 4 p.m.

Sept. 7 In Senate. To enrollment.

Sept. 6 Art. IV, Sec. 8(a), of Constitution dispensed with. Read second time. Read third time. Passed. (Ayes 71. Noes 1. Page 3051.) To Senate.

Apr. 19 Read third time. Passed. (Ayes 24. Noes 5. Page 639.) To Assembly.

Apr. 19 In Assembly. Read first time. Held at Desk.

Apr. 17 Read second time. To third reading.

Apr. 16 Withdrawn from committee. Ordered placed on second reading.

Apr. 9 From committee with author's amendments. Read second time.

Amended. Re-referred to Com. on RLS. Set for hearing April 11.

Mar. 15 To Com. on RLS.

Feb. 26 Read first time.

Feb. 25 From print. May be acted upon on or after March 27.

Feb. 23 Introduced. To Com. on RLS. for assignment. To print.

Organization

CARF

Subject

Tribal Gaming

Total Position Forms: 21

**CALIFORNIA AUTHORITY OF RACING FAIRS
RECOMMENDED ALLOCATIONS FROM
CDFA DIVISION OF FAIRS AND EXPOSITIONS EXPENDITURE PLAN
FISCAL YEAR 2006-2007**

Allocation: \$2,100,000

Track Safety and Maintenance Program **600,000**

Parimutuel Facilities Improvement **1,500,000**

Live Racing Facility Development and Improvement.....675,000

\$75,000 per Live Racing Fair

Facility Upgrades, Equipment Replacement, Development...825,000

Total **\$2,100,000**

Adopted December 12, 2006

**CALIFORNIA AUTHORITY OF RACING FAIRS
RECOMMENDED ALLOCATIONS FROM
CDFA DIVISION OF FAIRS AND EXPOSITIONS EXPENDITURE PLAN
FISCAL YEAR 2005-2006**

Allocation: \$2,500,000

Equipment Replacement Fund	\$500,000
Track Safety and Maintenance Program	600,000
Parimutuel Facilities Improvement	1,400,000
<i>Live Racing Facility Development and Improvement</i>	<i>900,000</i>
<i>Satellite Facility Operations, Upgrades and Development</i>	<i>500,000</i>
Upgrades, Planning and New Facility Development	500,000
Total	\$2,500,000

Adopted October 26, 2005



August 28, 2007

Your ticket to fun!

AUG 29 2007

CARF
c/o Chris Korby
1776 Tribute Road, Suite 205
Sacramento, CA 95815

Chris:

Please Accept this letter as an official request to place on the agenda at the next Board Meeting, the matter of the San Joaquin Fair's request for funding a turf track design and specification project.

Sincerely

A handwritten signature in blue ink, appearing to read "Forrest J. White", is written over a horizontal line.

Forrest J. White, C.E.O.

sanjoaquinfair.com

Second District Agricultural Association • 1658 S. Airport Way • Stockton, CA 95206
209/466-5041 • 209/466-5739 fax • e-mail: fun@sanjoaquinfair.com

2008 N-Cal Dates Proposal per Group Agreement 9-10-07

Calendar 1

December

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			26	27	28	29
30	31					
5						0

GGF	122.00
Split	2.50
Total	124.50

BM	70.00
Split	2.50
Total	72.50

Fairs 87

Racing Fairs to be limited to 43 thoroughbred races per week

Overlap

Simulcast only

January

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
20		Split 2 days				0

February

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	
0		Split 3 days				18

March

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					
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April

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
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27	28	29	30			
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May

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
14						9

June

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
16						0

July

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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6	7	8	9	10	11	12
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27	28	29	30	31		
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August

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September

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October

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
20						13

November

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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December

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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15						0

December

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			26	27	28	29
30	31					

5 *L-Race*

Legend:

LATC 85

HPRA - Spring 60

Del Mar 43

HP Fall 40

Fairplex 16

Oak Tree 26

January

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
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February

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March

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April

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May

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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June

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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July

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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August

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September

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2 16 5

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November

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December

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15

LOS ALAMITOS 2008

Total Race Days = 205

December

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			26	27	28	29
30	31					

4

January

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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February

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July

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September

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October

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November

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December

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12

SACRAMENTO HARNESS ASSOCIATION

2008 PROPOSAL

Total Race Days = 180

December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			26	27	28	29
30	31					

January						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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February						
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June						
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August						
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September						
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October						
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November						
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
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December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
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21	22	23	24	25	26	27
28	29	30	31			

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Expanded Fairs Offered as Option for California Racing

by Jack Shinar

Date Posted: August 30, 2007

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California fairs offer a realistic option for horse racing's future at a time when two major racetracks in the state are facing redevelopment and other privately held venues are pressured by stockholders for greater revenue returns amid escalating property values.

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Industry leaders brought that message to the California Board of Food and Agriculture Aug. 29 during a meeting at Cal Expo in Sacramento. Racing, they said, has funded the fairs for many years. Now, the industry wants to strengthen its ties to public fair facilities and to agriculture.

The board called the meeting, which lasted 5 1/2 hours, in order to look into why the horse industry is considered recreation and not part of state's agricultural product. No action was taken, though board president Al Montna said he found the disconnect between horses and agriculture "unconscionable."

"Hopefully, we'll come back in September with a strong recommendation to bring horse racing back into agriculture," Montna said.

Racing industry officials pointed to Del Mar's successful merger of public fairgrounds facilities with a private track operating team, the Del Mar Thoroughbred Club. Del Mar, which operates on state-owned land in north San Diego County under the jurisdiction of the 22nd Agricultural District, is among the most successful tracks in the nation, averaging close to 17,000 fans a day. About \$600 million will be wagered during its current 43-day meet.

"Del Mar is a model for what the future of California racing looks like," said Drew Couto, president of the Thoroughbred Owners of California. "The future can be very bright, particularly with the association to agriculture and public facilities."

Couto applauded the conversion to synthetic racing surfaces at the state's major racing venues, noting that Southern California is the first circuit in the nation that will race entirely on synthetic main tracks. He noted that about 7,000 Thoroughbreds started in California in 2006--down 27% in the past 10 years--but the safety factor could help the industry rebound as well as attract interest from out-of-state horsemen.

Racing has wasted too much time fighting Indian tribes for alternative gaming rights when there's no reason to believe that's the answer to the industry's ills, Couto said. Instead, it needs to be strengthening its ties to public facilities and fixing its wagering model, especially account wagering.

"For the past three years, our association has been trying to cultivate a relationship with the tribes," Couto said. "The competitive tension with tribes comes from land developers who own racetracks saying they have to have alternative gaming in order to compete. It's not about saving racing."

Publicly held fairgrounds facilities can provide a stable haven for racing, said Christopher Korby, executive director of the California Authority of Racing Fairs.

"Fairs are already part of the DNA of California racing," Korby said. "We have an ag-based industry on the brink of crisis due to macro-economic forces outside its control. We need sound public policy that recognizes this inter-relationship."

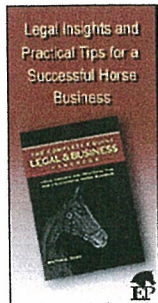
There are nine publicly held facilities operating in the state, seven in the north and two in the south, including Del Mar. Organized horse racing in the state began at fairs in the mid-1850s.

"We propose a model for the future of California racing that is at once practical, realistic, and familiar," Korby said. "We propose that racing facilities at fairs, which are publicly owned, expand and improve to fill the industry's needs as privately owned, commercial racetracks are developed for purposes other than racing."

In Northern California, racing is struggling with the likely closure of Bay Meadows in 2008. Bay Meadows, which would be redeveloped, annually hosts about 120 days of racing.

Rick Pickering, chief executive officer of nearby Alameda County Fair in Pleasanton, sees his venue as the most likely option in the Bay Area, but it would require \$20 million to \$30 million to make a full conversion. More likely, the fair track would initially expand its training facility to fill the void left by the San Mateo track's closure. But investment needed for a makeover that includes a new turf course and synthetic track is two to three years away, he said.

Pointing to a picture of the Del Mar grandstand, he said: "It wouldn't look like this. Del Mar talks about



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averaging more than 16,000 people a day. The average attendance at Bay Meadows and Golden Gate Fields is more like 1,500 to 1,600 a day."

Said Norb Bartosik, general manager at Cal Expo: "As a model for the future, the public/private partnership works. Cal Expo is trying to take steps in that direction. But we tend to believe that the first movements need to be in the Bay Area."

In Southern California, the redevelopment cloud hangs over Hollywood Park. The Los Angeles County Fair at Fairplex has discussed its potential as a replacement, but it, too, would need two to three years to make the necessary conversion.

Doug Burge, executive director of the California Thoroughbred Breeders' Association, said the same real estate market demand exerting so much pressure on the privately held tracks is also taking a toll on the state's 300 breeding farms. Some, such as the famous Golden Eagle Farm, are selling off much of their property and drastically cutting the size of their operations, or are closing, he said.

The annual Thoroughbred foal crop of 3,700 continues to rank third in the nation while accounting for 11% of the national foal count, Burge said.

"We're seeing a significant reduction in the size of our foal crops," he said. "Overall, this is not a great time for breeding horses in California. What we're experiencing is that states that were never a threat to us are now, due to having alternative gaming, attracting our horses and our horsemen."

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CALIFORNIA STATE BOARD OF FOOD AND AGRICULTURE

FAIRS, HORSE RACING AND AGRICULTURE

AUGUST 29, 2007

TESTIMONY BY CHRISTOPHER KORBY, EXECUTIVE DIRECTOR

CALIFORNIA AUTHORITY OF RACING FAIRS

Thank you very much for the opportunity to testify before this Board today. I'd like to offer some background on the connections between horse racing, Fairs and agriculture. I'd also like to describe the forces that are pushing our the horse racing industry toward great uncertainty and offer a realistic vision for the long-term viability of our industry based on sound public policy and on a strong partnership between the private and public sectors.

Fairs have a grand old tradition of horse racing in California going back over 150 years to the days of the Gold Rush. So when pari-mutuel wagering came along in the early '30s, the Fairs embraced it like an old friend.

Fairs and horse racing share a long political heritage, reflecting a balance of interests that has served the racing industry well since 1933, when support from Fairs helped assure passage of the referendum approving pari-mutuel wagering. That referendum laid the foundation for modern racing in California.

California agriculture and California Fairs also share a long-standing interest in the economic vitality of California racing. The Legislature has recognized the common agricultural connection that links the breeding of horses, Fairs and horse racing. The very first section in Horse Racing Law, B&P Code Section 19401, cites "encouraging agriculture and the breeding of horses in this state" and "supporting the network of California fairs" as important reasons in the legislative intent for allowing pari-mutuel wagering on horse racing. Statute already asserts an affirmative interconnection between

agriculture, horse racing, Fairs and the public interest. Right now, we are lacking an articulated public policy and a coherent, realistic vision for our future that will carry that statutory affirmation forward.

Rounding out the connections to agriculture, the law recognizes Fairs as a vehicle through which the Legislature has chosen to distribute the economic benefits of horse racing to local communities and to the agricultural sector. Revenues derived from horse racing help sustain overall Fair activities, an important part of the fabric of California life. It's more important than ever that this long-standing alliance continue to work for the long-term, best interests of the racing industry in California.

Racing and parimutuel wagering are the economic engines that drive, support and sustain the agricultural components of the industry. These agricultural components are significant. Horse racing represents a multi-billion dollar sector of the state's agricultural economy, employing tens of thousands of Californians on breeding farms, in animal husbandry and related professions, equine medical care, and as suppliers of animal feed. The prosperity of these agricultural enterprises depends on a robust horse racing industry. See UC Davis *Economic Analysis of the California Thoroughbred Racing Industry*, Dr Harold Carter, et al.

There are major changes on the horizon for California horse racing. Planning for these changes will be critically important to its future. We urgently need a vision and a sound public policy that keeps this industry and its agricultural sector economically viable. I'd like to offer some thoughts on this matter from the perspective of the California Fairs.

Background and Perspective

The economic model that underpins ownership of most Thoroughbred tracks in California is under strain. Real estate on which privately-owned, commercial race tracks sit has appreciated to valuations that no longer justify horse racing as the highest and best use of the asset. Corporate owners, with responsibilities to their shareholders, are compelled to consider development of their property for uses other than racing.

The move to develop race track real estate is already underway at Bay Meadows in San Mateo. Local observers with whom we have spoken estimate 12-18 months until approvals allow demolition and development to proceed. The same land development company that owns Bay Meadows also owns Hollywood Park and has expressed similar plans for that Southern California track. These tracks are pillars of racing in California. Unless we have a plan that provides for replacements, the racing industry in California, and all the attendant economic beneficiaries, will find themselves in a severe crisis.

It's time for industry leaders in racing, breeding, Fairs and in agriculture, leaders who have a major stake in the future vitality of this important sector of California's economy, to step up with a commitment to our industry for the long term. Fairs are making such a commitment.

Fairs' Commitment to Racing-- Historical Antecedents

The significant capital investment and the long history of racing at California Fairs is evidence of the commitment that Fairs have to the sport. Racing has been conducted at Fairs in this state since the 1850's. Fairs were instrumental in securing passage of the initiative that created modern pari-mutuel wagering. In fact, the first racing of the modern pari-mutuel era was conducted at Fairs in 1933 because Fairs had the facilities already in place to accommodate it. Fairs went on to build and re-build grandstands and stable facilities at nine venues around the state, from Humboldt County in the north to Del Mar in the south. Fairs are part of the DNA of California racing.

With the advent of simulcasting in the mid-1980's, Fairs stepped up again, investing in a network of twenty-three simulcast facilities around the state. These satellite facilities annually contribute over \$600 million in pari-mutuel handle to California's racing industry. Through Fairs, which are publicly owned, the public sector already has a significant investment in California horse racing.

A Vision for the Future

So how do we pull all these elements together with an eye to the future. We have a vision for the future of California racing that is at once practical, realistic, sustainable and familiar. We propose that racing facilities at Fairs expand and improve to fill the industry's needs as privately-owned, commercial race tracks are developed for purposes other than racing. There are examples and precedents of this public/private partnership model throughout major league professional sports; there is an especially successful example in the racing industry right here in California.

Before we look at specific examples, let's look at some of the circumstances that align in this model:

- Fairs are California-based and publicly owned by Californians, with a mission to use their profits right here in our state.
- Fairs already have an investment in the racing industry.
- Fairs can issue bonds, secured by future revenues from pari-mutuel wagering, in order to finance facility expansion and improvements.
- As publicly-owned facilities, Fairs are less susceptible to the impact of changing real estate valuations.
- Fairs are already diversified entertainment and commercial enterprises, landmarks in their communities, with year-round attendance measured in the millions.
- Profits from racing at Fairs are re-invested at California Fairs.
- Fairs can be a good political ally with deep roots in the state's agricultural community and a major presence in the Legislature.

Let's take a quick look at the example of major league professional sports.

Partnership between publicly owned venues and privately-owned franchises is a model long evident in major league professional sports. Such arrangements, though they may vary in form and nature in each instance, generally relieve franchises of the financial

burden of venue ownership while allowing municipalities to secure and maintain major league sport franchises. Both benefit: the franchise is more economically viable and the municipality can realize the sense of civic pride and economic benefits attendant to a major league sports franchise. There are examples from baseball, basketball, football and hockey up and down the state in California.

There is a successful, existing example of this model that already works for California racing: the operating partnership between Del Mar Thoroughbred Club (DMTC) and the 22nd District Agricultural Association (Del Mar Fair). Del Mar Thoroughbred Club, a private entity, operates one of the finest racing meetings in North America at a public venue financed, built and owned by the Del Mar Fair. The current facility was built 1990-1992 through state revenue bonds secured by revenue from pari-mutuel wagering. Profits are re-invested in the facility. The upshot is a tremendously successful operation that benefits DMTC, the Del Mar Fair, the state and California horsemen. We don't think that the California racing industry could find a better model on which to build a strong, stable future.

So let's recap briefly. We have an industry, horse racing, based in agriculture that generates billions of dollars in economic impact and tens of thousands of California jobs. This ag-based industry is on the brink of crisis due to macro-economic forces outside its control. We have a statutory framework that recognizes the affirmative connections between horse racing, agriculture, Fairs and the public interest. We have a vision of a new economic model for conducting horse racing, a model based on existing, publicly-owned venues, structured to underpin a sustainable future, operating for the benefit of agriculture, horse racing, Fairs and ultimately the state of California. So what are we lacking? We need a sound public policy that recognizes the interconnections of all these elements and creates a strong foundation on which to build a prosperous future for our industry. That's where we need this Board's help.

We would like to ask this Board to engage a group of interested parties to develop a public policy recommendation regarding agriculture, horse racing and Fairs. We're here to offer some thoughts on what that would encompass.

The state of California recognizes horse racing as a competitive sport, distinguished from other sports in that its existence depends entirely on the successful breeding, ownership and training of race horses. Breeding, owning, caring for and training horses are elements of the agricultural economy. Therefore, the state of California recognizes horse racing and its attendant equine husbandry as an agricultural activity.

State of California has the sovereign right to permit parimutuel wagering on horse racing. The Legislature exercised this right, in statute, creating the California Horse Racing Board to license and regulate racing's conduct. Acting through the Board, the state grants annual licenses for the conduct of racing to racing associations, which are either private, for-profit entities, not-for-profit entities, and Fairs. The state also requires that racing associations have a valid contract with horse owners (private entrepreneurs) for the payment of purses. This nexus of state's regulatory mission, private enterprise, and the public interest represents a successful partnership between the public and private sectors.

California statute asserts an affirmative connection between agriculture, horse racing, Fairs and the public interest. The Legislature has recognized that allowing parimutuel wagering serves the public interest when it 1) assures protection of the public; 2) encourages agriculture and the breeding of horses; 3) supports the network of California Fairs; 4) provides for maximum expansion of horse racing opportunities in the public

interest; and 5) provides for uniformity of regulation for each type of horse racing (B&P Code §19401).

State government has a revenue interest in the economic vitality of horse racing, beyond meeting the costs of regulation, because horse breeding and racing generate both direct and indirect revenues to the public sector and provide economic opportunities for its citizens. Revenues are distributed to horsemen as purse payments, to racing associations as commissions, and to the state as license fees. License fees are distributed by the Department of Food and Agriculture for the support of Fairs. Other distributions include wildlife restoration, local charities, and an equine veterinary research and teaching facility at the University of California Davis.

Fairs play an important role in the social fabric of their communities. California Fairs and horse racing have a century-long, mutually beneficial relationship. All Fairs and all Californians who attend Fairs, those employed by Fairs, or who participate in Fairs benefit from this economically interdependent connection. In order to support and encourage this activity it is the policy of the State of California to reinvest revenues generated by horse racing in: 1) California Fairs generally; 2) the improvement of racing venues, equipment and facilities on Fairgrounds; 3) horse racing at California Fairs; 4) a competitive California satellite simulcast program; and 5) the interstate and international export of California-produced equines, products and services.

Horse racing represents a multi-billion dollar component of the state's agricultural economy, employing tens of thousands of Californians on breeding farms, in animal husbandry and related professions, equine medical care, and as suppliers of animal feed. The prosperity of these agricultural enterprises depends on a robust horse racing industry. Thus, the policy of the State of California's Department of Food and Agriculture shall be to support and encourage 1) improvements in breeding stock, supported by the well-regulated conduct of horse racing; and 2) increased interstate and international export of California-bred horses.

In conclusion, racing is a majestic sport with a long and cherished tradition in California. We believe that a realistic vision for its future, along with a sound public policy that governs its structure and conduct, will ensure benefits to Fairs, to agriculture and to the people of California for a long time to come.

California Authority of Racing Fairs
Agency Income Statement
July 31, 2007

	2005	2006	2007	2007	2007	2007
	Year End	Year End	Budget	Variance	% Budget	Current YTD
Revenue:						
Other Revenue	255	9,233	500	(470)	6%	30
Interest Income	35,736	48,441	40,000	(18,282)	54%	21,718
Member Dues	279,780	261,477	257,276	(64,325)	75%	192,951
CARF Admin Fee	335,413	297,943	419,925	(264,979)	37%	154,945
Total Revenue	651,185	617,094	717,701	(348,056)	52%	369,644
Expenses:						
Salaries	200,703	204,210	277,762	158,429	43%	119,333
Employee Benefits	28,803	21,363	61,108	50,274	18%	10,834
Post Retirement Benefits	22,800	27,118	32,000	13,568	58%	18,432
Payroll Taxes	13,519	11,471	30,554	20,999	31%	9,555
Accounting Costs	16,270	16,965	16,250	6,761	58%	9,489
Advertising Expense	0	800	0	0	0%	0
Audit Services	5,125	4,815	5,625	1,250	78%	4,375
Automobile Expense	357	0	2,000	(2,636)	232%	4,636
Contracted Services	1,928	1,198	3,000	902	70%	2,098
Depreciation	10,853	16,682	4,385	(3,943)	190%	8,328
Dues & Subscriptions	719	30,475	31,000	9,176	70%	21,824
Insurance Expense	35,110	37,763	38,151	15,824	59%	22,327
Legal Expenses	7,419	6,620	20,000	15,586	22%	4,414
Legislative Expenses	51,857	49,888	60,000	26,615	56%	33,385
Meetings Expense	2,901	6,861	6,000	3,355	44%	2,645
Misc. Bank Fees	269	29	1,000	961	4%	39
Office Supplies	14,912	17,074	15,000	6,182	59%	8,818
Postage & Shipping	3,201	3,570	3,000	505	83%	2,495
Rent (Tribute Road)	33,641	35,777	35,770	14,904	58%	20,866
Repairs & Maintenance	953	370	1,000	641	36%	359
Telephone Expense	9,437	10,660	11,000	3,798	65%	7,202
Training	0	0	2,500	2,500	0%	0
Travel Expense	23,835	24,886	27,500	14,936	46%	12,564
Total Expenses	484,614	528,593	684,605	360,586	47%	324,019
Income (Loss)	166,571	88,500	33,096	12,530	138%	45,625

**California Authority of Racing Fairs
Southern Region Income Statement
July 31, 2007**

	2005	2006	2007	2007	2007	2007
	Year End	Year End	Budget	Variance	% Budget	Current YTD
Program Revenue:						
Program Sales	696,535	493,939	390,075	(106,641)	73%	283,434
Other Revenue	0	0	0	0	0%	0
Royalties/Fees Due Host	(629,936)	(440,394)	(351,067)	102,430	71%	(248,637)
Total Revenue	66,599	53,545	39,008	(4,212)	89%	34,796
Expenses:						
Legal Expenses	0	0	2,500	2,500	0%	0
Meetings Expense	0	0	1,000	770	23%	230
Misc Exp.(Storage)	0	0	1,000	1,000	0%	0
Postage & Shipping	0	0	100	100	0%	0
Telephone Expense	0	0	500	500	0%	0
Total Expenses	0	0	5,100	4,870	5%	230
Operating Income (Loss)	66,599	53,545	33,908	658	102%	34,566
CARF Admin Fee	52,255	39,146	29,256	8,032	73%	21,224
Rebate						
Income (Loss)	14,344	14,398	4,652	8,690	287%	13,342

**California Authority of Racing Fairs
Project Management Income Statement
July 31, 2007**

	2005	2006	2007	2007	2007	2007
	Year End	Year End	Budget	Variance	% Budget	Current YTD
Revenue:						
CARF Admin Fee	168,072	126,419	256,250	(187,549)	27%	68,701
Project Management	67,238	76,158	85,868	(41,343)	52%	44,525
Total Revenue	235,310	202,578	342,118	(228,892)	33%	113,226
Expenses:						
Salaries Expense	47,563	56,190	51,592	20,795	60%	30,797
Employee Benefits	5,936	6,595	11,350	7,036	38%	4,314
Payroll Taxes	2,928	3,065	5,675	2,806	51%	2,869
Accounting Costs	6,500	6,780	6,500	2,708	58%	3,792
Audit Services	2,050	1,870	2,250	500	78%	1,750
Automobile Expense	290	0	4,500	4,500	0%	0
Contracted Services	0	0	1,000	1,000	0%	0
Telephone Expense	1,351	1,015	2,000	1,637	18%	363
Travel Expense	140	144	500	415	17%	85
Misc. Storage	480	555	500	(55)	111%	555
Total Expenses	67,238	76,214	85,867	41,342	52%	44,525
CARF Admin Fee	168,072	126,364	256,251	187,550	27%	68,701

**California Authority of Racing Fairs
Live Racing Income Statement
July 31, 2007**

	2005	2006	2007	2007	2007	2007
	Year End	Year End	Budget	Variance	% Budget	Current YTD
Revenues:						
Change Fund Admin Fee	25,426	42,690	40,000	(21,664)	46%	18,336
Racing Fairs Admin Fee	67,660	67,743	72,418	(25,734)	64%	46,684
Supplemental Purses Admin Fee	22,000	22,000	22,000	(22,000)	0%	0
NCOTWINC Reimbursement	29,000	29,000	29,000	0	100%	29,000
Racing Fairs Reimbursement	894,677	959,886	965,572	(321,146)	67%	644,426
Advertising Revenue	3,625	3,425	3,500	1,125	132%	4,625
Total	1,042,388	1,124,744	1,132,490	(389,418)	66%	743,072
Expenses:						
Salaries	119,133	137,045	116,281	38,559	67%	77,722
Employee Benefits	28,745	32,501	30,000	9,488	68%	20,512
Payroll Taxes	7,950	9,178	12,791	(17,094)	234%	29,885
Accounting Costs	42,250	44,070	42,250	17,604	58%	24,646
Audit Services	13,325	12,155	14,950	3,575	76%	11,375
Automobile Expense	2,846	811	3,000	2,110	30%	890
Dues & Subscriptions, NTRA	150	28,125	30,000	8,906	70%	21,094
Legal Expenses	1,339	9,232	6,000	(17,520)	392%	23,520
Meetings Expense	5,722	3,429	5,000	1,938	61%	3,062
Misc. Exp (Storage,Bank fee)	5,264	0	3,000	2,925	3%	75
Telephone Expense	1,671	932	2,000	1,607	20%	393
Travel Expense	28,822	28,650	25,000	(3,783)	115%	28,783
Sub-Totals	257,217	306,128	290,272	48,316	83%	241,956
Racing Support Services:						
Announcer	68,824	33,513	40,000	25,630	36%	14,370
Condition Bk/Program Cover	17,285	19,540	23,000	7,763	66%	15,237
Racing Operations Support	19,498	73,176	68,000	7,707	89%	60,293
TC02 Testing	42,511	50,341	51,000	23,140	55%	27,860
Marketing	3,769	2,095	20,000	16,733	16%	3,267
Network Management	2,666	2,748	5,000	1,482	70%	3,518
Paymaster	3,961	8,860	10,500	6,906	34%	3,594
Program Production	164,799	169,347	160,000	63,998	60%	96,002
Racing Office System	62,441	60,889	60,000	33,540	44%	26,460
Recruitment	11,649	13,257	10,000	(5,663)	157%	15,663
Jumbo Screen	179,350	151,025	175,000	65,350	63%	109,650
Supplies	12,444	17,968	9,500	4,675	51%	4,825
Tattooing	22,002	16,724	16,800	4,274	75%	12,526
Timing/Clocker	39,541	29,472	30,000	20,261	32%	9,739
Transportation	3,050	3,350	4,000	1,740	57%	2,260
TV Production/Simulcast	16,296	33,879	25,000	(5,832)	123%	30,832
Sub-Totals	670,085	686,183	707,800	271,704	62%	436,096
Total Expenses	927,302	992,311	998,072	320,021	68%	678,051
CARF Admin Fee	115,086	132,433	134,418	69,398	48%	65,020
Net Income(Unbilled Expenses)	0	0	0	0	0%	0



AUGUST 24, 2007

Mr. Chuck Winner
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RE: Willingness to Assist "Tribal Partners"

Dear Chuck,

On behalf of the entire TOC Board, we wish to extend our collective appreciation to you for taking the time to meet and to discuss candidly your views on the genesis of tension between California tribal leadership and the racing industry. Without question, it was a timely and helpful visit!

As you are aware, none of TOC's directors were in positions of influence at the time the racing industry first opted to oppose the tribes' efforts to help themselves. If the current board had been involved, we believe TOC would have counseled a different approach: one not focused on competition, but on a genuine desire to explore the means to help one another. As they were not, TOC regrets that our track colleagues took a less enlightened approach toward the sovereign concerns of our tribal neighbors.

Looking forward, TOC is committed to improving our relationship with California tribal leadership. Our aim is to build a business and political partnership, founded on trust and respect. We are sincere in this desire, and are very appreciative of your willingness to communicate TOC's interest to appropriate tribal representatives.

With regard to the referenda proposed by Bay Meadows Land Company (BMLC), Unite HERE, and certain tribal interests, TOC wishes to again confirm that it is not involved in that process. In fact, we are vehemently opposed to the notion that the referenda is in some obscure way of paramount importance to the future of the racing industry. It simply is not!

With that in mind, TOC wishes to offer its support to the Pechanga, Agua Caliente, Morongo, and Sycuan tribes in responding to the challenges inherent in the referenda. The TOC Board of Directors has unanimously voted to support the tribes in opposing the referendum. We believe the recently approved compacts should stand as is. How we may best assist is as of yet unclear, but our desire and willingness is not. The tribal councils are welcome to call upon us as needed!

We look forward to establishing a more productive and amicable relationship between the California Thoroughbred industry and our California Native American neighbors.

Sincerely,

Marsha Naify
Chair

Drew J. Couto
President

CARF Administration

From: Terry Fancher

To: richard@wincorealestate.com

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Sent: September 26, 2007 11:23 AM

Subject: Bay Meadows -- Proposed Race Dates and Stabling Arrangements for 2008

In accordance with our previous statements, and subject of course to the approval of the CHRB, we remain prepared to run all of the 2008 race dates at Bay Meadows which the Northern California stakeholders agreed to on September 10, 2007 (e.g. race dates through the end of August 2008). We also remain willing to provide stabling at Bay Meadows through year-end 2008, provided that we have the full discretion to terminate these stabling arrangements at any time if we determine that it may not be safe for horses, trainers or others for stabling to continue at Bay Meadows following the end of our 2008 racing season.

We would ask the CHRB to please take into consideration that we are making this offer in good faith and do not currently envision that any safety issues will materialize during this period for horses, trainers or others at Bay Meadows. But we have always intended that on-going stabling through year-end 2008 would be provided along side the commencement of our on-site development activities and not in place of our development activities. The early stage of our development activities will focus on asbestos removal in the grandstand rather than some heavier form of demolition. Nevertheless, the development process involves technical complexities which I am not personally qualified to address and in any event would not be comfortable trying to describe in an email communication. Thus, I cannot provide assurance that our future development activities at Bay Meadows can or will be managed to proceed without potential interference to training activities, even though I sincerely believe the risk of such interference is small. Accordingly, if safety issues do materialize for any reason and regardless of how our contractors manage the commencement of development activities at Bay Meadows, we will need to require the immediate cessation of training activities and the relocation of all horses off of the Bay Meadows property as soon as feasible and in any event not later than a reasonable period (such as ten days) after we communicate our safety concerns to on-site trainers.

We regret if our position offers less than the CHRB or others in the racing industry may be seeking from us. We are making our offer as an accommodation to the many Northern California stakeholders in the racing industry who unfortunately will be dislocated by the closure of Bay Meadows. We recognize that development is not what the CHRB or others in the racing industry would like to see at Bay Meadows. We would respectfully point out, however, that our considerable efforts and the many attempts by others to find solutions to the economic ills facing the California racing industry have sadly proven unsuccessful.

If the CHRB determines for any reason that it does not wish to approve the 2008 Bay Meadows racing dates submitted by the Northern California stakeholders, we will reluctantly accept this decision and Bay Meadows will close at the end of our current racing season in November, 2007. Given that the CHRB has not awarded any dates to Bay Meadows for 2008 as of this time, there can be no basis for any member of the CHRB to have any uncertainty when deciding whether or not to grant dates to Bay Meadows for 2008 as to the basis on which our company is willing to provide stabling at Bay Meadows through year-end 2008 and the limitations on our offer. We believe all parties are better served by clarity of our position and we have tried to be clear at all times.

Assuming that the CHRB does approve the 2008 race dates for Bay Meadows submitted by the Northern California stakeholders, please note that it may be necessary to require any usage of the Bay Meadows track for training purposes following the end of our 2008 racing season in late August, to be completed not later than 7:30 a.m. each morning. Mr. Liebau has advised me that this 7:30 a.m. restriction, which we are requesting in an abundance of caution for horses, trainers and others, should be manageable for trainers and horses and should not prevent them from fulfilling their training needs.

Additionally, we would expect to take one of our five barns – the one which is not in the Bay Meadows infield but instead is adjacent to the Grandstand – out of service since we would expect to be using that area to stage heavy machinery which may be used in our development activities at the site. Mr. Liebau has also assured me that he does not believe that taking this one barn out-of-service will pose any inconvenience or limitation to anyone since he expects that our barns would not be operating at full capacity or anything close to full capacity during this time period. In fact, Mr. Liebau believes that the remaining four barns, all of which are located in the infield, will have substantial unused capacity following the close of the August 2008 racing season through year-end. It is my understanding that horse populations at Bay Meadows during live race meets at Golden Gate Fields has ranged between 500 to 625 and that the four barns in the infield have a capacity to house 791 horses.

If you have any questions, please let Mr. Liebau or me know.

Best regards,

Terry Fancher