



a California joint powers agency

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**NOTICE
CALIFORNIA AUTHORITY OF RACING FAIRS
LIVE RACING COMMITTEE MEETING
JOHN ALKIRE, CHAIR
11:00 A.M., THURSDAY, SEPTEMBER 15, 2016**

Notice is hereby given that a meeting of the California Authority of Racing Fairs Live Racing Committee will commence at 11:00 a.m., Thursday, September 15, 2016. The meeting will be held in Sacramento. 1776 Tribute Road, Conference Room, Sacramento, CA 95815.

Public and members of the California Authority of Racing Fairs Live Racing Committee may also participate from the following location:

The Big Fresno Fair
1121 S. Chance Avenue
Fresno, CA 93702



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AGENDA
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AGENDA

- I. Date, time and location of next meeting: October 11, 2016 at The Big Fresno Fair.
- II. Public Comment.
- III. Report on 2016 Legislative Program.
- IV. Discussion and action, if any, on Racing Dates for 2017 and beyond.
- V. Discussion and action, if any, on Vanning and Stabling for 2017.
- VI. Executive Director's Report.

**CA Authority of Racing Fairs
9/6/2016**

AB 1355 (Gray D) Gaming: Tribal Nation Grant Fund.

Current Text: Chaptered: 8/17/2016 [pdf](#) [html](#)

Introduced: 2/27/2015

Status: 8/17/2016-Chaptered by Secretary of State - Chapter No. 118, Statutes of 2016

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would specify that the Tribal Nation Grant Fund reflects a vision of facilitating the development of tribal institutions and improving the quality of life of tribal people throughout the state. This bill contains other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

AB 1573 (Gray D) Gambling: sports wagering.

Current Text: Introduced: 1/4/2016 [pdf](#) [html](#)

Introduced: 1/4/2016

Status: 8/31/2016-Failed Deadline pursuant to Joint Rule 61(b)(17). (Last location was G.O. on 2/1/2016)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the California Interactive Sports Wagering Consumer Protection Act, which would authorize the owner or operator of a card room that holds a state gambling license, a racing association or racing fair with a current license, or a federally recognized California Indian tribe that operates a gaming facility pursuant to a facility license issued in accordance with a tribal gaming ordinance, to accept and facilitate wagering on a sports event, as defined, by any legal system or method of wagering, including, but not limited to, exchange wagering, parlays, over-under, moneyline, and straight bets, by applying to the Department of Justice for a license and authorization to conduct sports wagering, as defined.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

AB 1729 (Waldron R) Gaming Policy Advisory Committee.

Current Text: Amended: 3/15/2016 [pdf](#) [html](#)

Introduced: 1/28/2016

Status: 4/22/2016-Failed Deadline pursuant to Joint Rule 61(b)(5). (Last location was A. G.O. on 3/16/2016)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the California Gambling Control Commission to establish a 10-member Gaming Policy Advisory Committee for the purpose of discussing matters of controlled gambling regulatory policy and other relevant gambling-related issues. The committee is composed of representatives of controlled gambling licensees and members of the general public in equal numbers. This bill would increase the membership of the committee from 10 to 12 members.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

AB 1786 (Cooley D) Horse racing: the California Standardbred Sires Stakes Program.

Current Text: Chaptered: 8/30/2016 [pdf](#) [html](#)

Introduced: 2/4/2016

Status: 8/29/2016-Chaptered by Secretary of State - Chapter 223, Statutes of 2016.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Horse Racing Law establishes the California Standardbred Sires Stakes Program for standardbred horses bred in California, and provides that an offspring of a registered California standardbred stallion standing in California during an entire breeding season is eligible to race in the program. This bill would expand eligibility to race in the program to include the offspring of registered standardbred stallions standing in Iowa, Maine, Michigan, Minnesota, or Wisconsin, or the Province of Alberta, Canada. This bill contains other related provisions and other current laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 1890](#)**(Dodd D) Discrimination: equal pay: state contracting.****Current Text:** Enrollment: 9/2/2016 [pdf](#) [html](#)**Introduced:** 2/11/2016**Status:** 9/2/2016-Enrolled and presented to the Governor at 12 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Would enact the Equal Pay for Equal Work Act of 2016. The bill would require an employer with a contract with the state that amounts to \$50,000 or more that either is required by federal regulations to submit an EEO-1 report to the United States Equal Employment Opportunity Commission (EEOC) or has 100 or more employees in the state to submit a nondiscrimination program to the department and to submit periodic reports of its compliance with that program, no more than annually, on a schedule to be determined by the department. The bill would require the department to make these programs and reports available to the Commission on the Status of Women and Girls.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2011](#)**(Cooper D) Thoroughbred racing: northern, central, and southern zones: auxiliary offsite stabling, training, and vanning.****Current Text:** Enrolled: 8/30/2016 [pdf](#) [html](#)**Introduced:** 2/16/2016**Status:** 8/29/2016-Urgency clause adopted. Senate amendments concurred in. To Engrossing and Enrolling.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: The Horse Racing Law requires, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern, central, or southern zone, that an amount not to exceed 1.25% of the total amount handled by all of those satellite wagering facilities be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead be distributed to an organization formed and operated by thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen and horsewomen, to administer a fund to provide reimbursement for offsite stabling at California Horse Racing Board-approved auxiliary training facilities for additional stalls beyond the number of usable stalls the association or fair is required to make available and maintain, and for the vanning of starters from these additional stalls on racing days for thoroughbred horses. This bill would increase the amount that is required to be deducted to an amount not to exceed 2% in the northern, central, and southern zones, and would provide that this amount in the northern zone, if adjusted by the board, may be a different percentage of the handle for different associations and fairs, but only if all the associations and fairs agree to the differing percentages.

Organization	Position	Priority	Assigned	Subject
CARF	Sponsor		Louie	

[AB 2102](#)**(Hernández, Roger D) Tribal gaming: Indian Gaming Local Community Benefit Committee.****Current Text:** Amended: 3/15/2016 [pdf](#) [html](#)**Introduced:** 2/17/2016**Status:** 7/1/2016-Failed Deadline pursuant to Joint Rule 61(b)(13). (Last location was G.O. on 5/26/2016)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Would require each Indian Gaming Local Community Benefit Committee to adopt and approve a Conflict of Interest Code pursuant to specified provisions. The bill would require any existing Conflict of Interest Code to be reviewed and amended as necessary to bring it into compliance with these requirements. By increasing the duties of local government entities, this bill would impose a state-mandated local program.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2218](#)**(Burke D) Gambling: licenses.****Current Text:** Enrolled: 9/2/2016 [pdf](#) [html](#)**Introduced:** 2/18/2016**Status:** 8/31/2016-From committee: That the Senate amendments be concurred in. (Ayes 16. Noes 0.) (August 30). Assembly Rule 63 suspended. Senate amendments concurred in. To Engrossing and Enrolling.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Current law requires every person who, by order of the California Gambling Control Commission, is required to apply for a gambling license or a finding of suitability to file an application within 45 calendar days after receipt of the order. This bill would instead require the application described above to be filed within 60 calendar days after receipt of an order of the commission.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2226](#) ([Bigelow R](#)) Horse racing: fairs.

Current Text: Amended: 8/19/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 8/31/2016-Failed Deadline pursuant to Joint Rule 61(b)(17). (Last location was APPR. on 8/24/2016)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Horse Racing Law permits the California Horse Racing Board to authorize an association licensed to conduct a racing meeting to also operate a satellite wagering facility at its racetrack inclosure, under specified conditions that differ between the northern zone and the central and southern zones, and provides specific guidelines for the operation and location of these facilities. This bill would authorize a fair to contract with 2 or more fairs that are licensed to conduct thoroughbred meetings within the northern zone for the operation and management of a satellite wagering facility.

Organization	Position	Priority	Assigned	Subject
CARF	Sponsor		Louie	

Notes 1: 7/19/16 KSC letter to Sen Appropriations Cmte; Debra Cooper, Cmte Consultant

6/09/16 KSC letter to Sen Gov't Org Cmte; Felipe Lopez, Cmte Consultant

3/22/16 KSC letter to Asm Gov't Org Cmte, Asm Bigelow

[AB 2287](#) ([Lackey R](#)) Theft: shoplifting.

Current Text: Amended: 6/15/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 7/1/2016-Failed Deadline pursuant to Joint Rule 61(b)(13). (Last location was PUB. S. on 6/21/2016)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The current Safe Neighborhoods and Schools Act, enacted as an initiative statute by Proposition 47, as approved by the electors at the November 4, 2014, statewide general election, makes the theft of property that does not exceed \$950 in value petty theft, and makes that crime punishable as a misdemeanor, with certain exceptions. The California Constitution authorizes the Legislature to amend or repeal an initiative statute by another statute that becomes effective when approved by the electors. This bill would amend that initiative statute by making it grand theft, which is punishable as a misdemeanor or a felony, to commit shoplifting if the aggregate value of the property taken from a single commercial establishment is nine hundred fifty dollars (\$950) or more in any 180-day period.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2543](#) ([Gordon D](#)) State buildings: efficiency and conservation.

Current Text: Amended: 6/20/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 8/12/2016-Failed Deadline pursuant to Joint Rule 61(b)(14). (Last location was APPR. on 8/11/2016)

Desk	Policy	Fiscal	Floor	Desk	Policy	Dead	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the State Energy Resources Conservation and Development Commission, in consultation with the Department of General Services, to develop a plan to exploit cost-effective energy efficiency and water conservation measures in state facilities. This bill would require the department, in consultation with the commission, to submit recommendations on energy efficiency and water conservation goals to the Governor and the Legislature. This bill would require the department, in consultation with the commission, to make these recommendations no later than January 1, 2018.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2619](#) ([Gray D](#)) Horse racing: quarter horse races.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 8/31/2016-Failed Deadline pursuant to Joint Rule 61(b)(17). (Last location was INACTIVE FILE on 8/30/2016)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Dead	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Would authorize the California Horse Racing Board to authorize a licensed quarter horse racing association that is conducting a live racing meeting in this state to accept wagers on a quarter horse stakes race with a purse equal to or greater than \$100,000. The bill would also make nonsubstantive changes.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2808](#) (Gipson D) Horse racing: exchange wagering: operative extension.

Current Text: Enrollment: 8/25/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 8/25/2016-Enrolled and presented to the Governor at 5 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Current law requires any racing association or racing fair receiving distributions from any exchange provider's exchange revenues to distribute a portion of that revenue to the official registering agency in a specified manner. Current law makes these exchange wagering provisions inoperative on May 1, 2016, and repeals them on January 1, 2017. Violations of the Horse Racing Law are generally misdemeanors. This bill would extend those inoperative and repeal dates to May 1, 2020, and January 1, 2021, respectively. The bill, by extending these requirements, the violation of which is a crime, would impose a state-mandated local program.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2863](#) (Gray D) Gambling: Internet poker.

Current Text: Amended: 8/18/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 8/31/2016-Failed Deadline pursuant to Joint Rule 61(b)(17). (Last location was THIRD READING on 8/18/2016)

Desk	Policy	Fiscal	Dead	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Would be known as the Internet Poker Consumer Protection Act of 2016 and establish a framework to authorize intrastate Internet poker, as specified. The bill would authorize eligible entities to apply for a 7-year license to operate an authorized poker Web site offering the play of authorized Internet poker games to registered players within California, as specified. The bill would require that the license be automatically renewed every 7 years upon application, as specified.

Organization	Position	Priority	Assigned	Subject
CARF	Support			

Notes 1:

4/21/16 Coalition letter sent to A/ Gray; A/ Governmental Organization Cmte

[AB 2914](#) (Committee on Governmental Organization) Gaming: Indian Gaming Revenue Sharing Trust Fund.

Current Text: Chaptered: 7/25/2016 [pdf](#) [html](#)

Introduced: 3/17/2016

Status: 7/25/2016-Chaptered by Secretary of State - Chapter 110, Statutes of 2016.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Current law establishes the Indian Gaming Revenue Sharing Trust Fund within the State Treasury for the receipt and deposit of moneys derived from gaming device license fees that are received from tribes pursuant to the terms of tribal-state gaming compacts for the purpose of making distributions to noncompact tribes. Current law provides that moneys in that fund are available to the California Gambling Control Commission, upon appropriation by the Legislature, for the purpose of making those distributions in accordance with plans specified in tribal-state gaming compacts. This bill would clarify that the purpose of the fund is for making distributions to eligible recipient Indian tribes.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 2915](#) (Garcia, Eduardo D) Tribal gaming: compact ratification.

Current Text: Chaptered: 8/30/2016 [pdf](#) [html](#)

Introduced: 3/17/2016

Status: 8/29/2016-Chaptered by Secretary of State - Chapter 240, Statutes of 2016.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would ratify the tribal-state gaming compact entered into between the State of California and the Agua Caliente Band of Cahuilla Indians, executed on August 4, 2016. The bill would provide that, in deference to tribal sovereignty, certain actions are not projects for the purposes of CEQA. This bill contains other related provisions and other existing laws.

Organization **Position** **Priority** **Assigned** **Subject**
CARF Watch

[SB 905](#)

(Bates R) Alcoholic beverage control: club licenses.

Current Text: Enrollment: 8/30/2016 [pdf](#) [html](#)

Introduced: 1/25/2016

Status: 8/30/2016-Enrolled and presented to the Governor at 1:30 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes the holder of a club license to exercise the rights of an on-sale general licensee, but limits sale and service of alcoholic beverages to members of the club and their guests. Current law defines different clubs in this context. This bill would define a club, for the purposes described above, to also include a nonprofit umbrella organization established to provide a central meeting location, resources, and services for veterans, including those on active duty, and that owns or leases, operates, and maintains a facility for these purposes.

Organization **Position** **Priority** **Assigned** **Subject**
CARF Watch

[SB 1019](#)

(Berryhill R) Indian gaming compacts.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was RLS. on 2/25/2016)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law expressly ratifies specified tribal-state gaming compacts entered in accordance with the federal Indian Gaming Regulatory Act of 1988. Current law further sets forth the procedures by which a materially identical compact entered into between the State of California and any other federally recognized Indian tribe may be ratified. This bill would make technical, nonsubstantive changes to those provisions.

Organization **Position** **Priority** **Assigned** **Subject**
CARF Watch

[SB 1240](#)

(Hall D) Horse racing: thoroughbred racing: northern, central, and southern zones: auxiliary offsite stabling, training, and vanning.

Current Text: Amended: 4/5/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 8/31/2016-Failed Deadline pursuant to Joint Rule 61(b)(17). (Last location was INACTIVE FILE on 8/29/2016)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Dead	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Horse Racing Law requires, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern, central, or southern zone, that an amount not to exceed 1.25% of the total amount handled by all of those satellite wagering facilities be deducted from the funds to be distributed to an organization formed to represent thoroughbred horsemen and horsewomen, to administer a fund to provide reimbursement for offsite stabling at California Horse Racing Board-approved auxiliary training facilities for additional stalls. This bill would increase the amount that is required to be deducted to an amount not to exceed 2% in the northern, central, and southern zones, and would provide that this amount in the northern zone, if adjusted by the board, may be a different percentage of the handle for different associations and fairs, but only if all the associations and fairs agree to the differing percentages.

Organization **Position** **Priority** **Assigned** **Subject**
CARF Watch

[SB 1313](#)

(Hall D) Tribal gaming: compact ratification.

Current Text: Enrollment: 8/31/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 8/31/2016-Enrolled and presented to the Governor at 6 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would ratify the tribal-state gaming compact entered into between the State of California and the Yocha Dehe Wintun Nation, executed on August 4, 2016. The bill would provide that, in deference to tribal sovereignty, certain actions are not projects for the purposes of CEQA. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

Total Measures: 20

Total Tracking Forms: 20

Assembly Bill No. 2011

Passed the Assembly August 29, 2016

Chief Clerk of the Assembly

Passed the Senate August 23, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 19607, 19607.1, 19607.2, and 19607.3 of the Business and Professions Code, relating to horse racing, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2011, Cooper. Thoroughbred racing: northern, central, and southern zones: auxiliary offsite stabling, training, and vanning.

(1) The Horse Racing Law requires, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern, central, or southern zone, that an amount not to exceed 1.25% of the total amount handled by all of those satellite wagering facilities be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead be distributed to an organization formed and operated by thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen and horsewomen, to administer a fund to provide reimbursement for offsite stabling at California Horse Racing Board-approved auxiliary training facilities for additional stalls beyond the number of usable stalls the association or fair is required to make available and maintain, and for the vanning of starters from these additional stalls on racing days for thoroughbred horses.

This bill would increase the amount that is required to be deducted to an amount not to exceed 2% in the northern, central, and southern zones, and would provide that this amount in the northern zone, if adjusted by the board, may be a different percentage of the handle for different associations and fairs, but only if all the associations and fairs agree to the differing percentages. The bill would establish an auxiliary offsite stabling and training facility and vanning program for thoroughbred races in the northern, central, and southern zones. The bill would revise and recast the provisions governing the organization formed and operated to administer the fund to include, among other things, a 50-50 percentage allocation of specified voting interests on the board of the organization, the use of funds to pay the organization's expenses and compensate the provider of a board-approved

auxiliary facility for offsite stabling and training of thoroughbred horses in the northern, central, and southern zones, and the requirement that the organization submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year. The bill would require, at the request of the board, the organization to submit a report detailing all of its receipts and expenditures over the prior 2 fiscal years and, upon request of any party within the organization, that those receipts and expenditures be audited by an independent 3rd party selected by the board at the organization's expense.

The bill would also require that the funds be used to cover all or part of the cost of vanning thoroughbred horses in the northern, central, or southern zone from a board-approved auxiliary offsite stabling and training facility and would authorize the organization to enter into multiyear contracts for auxiliary facilities in the northern, central, or southern zone subject to specified conditions. The bill would authorize the organization to use the funds to pay back commissions, purses, and owners' premiums to the extent that the deductions made exceed in any year the amount of the funds necessary to achieve the objectives of the organization. The bill would also authorize a thoroughbred racing association or fair in the northern zone to opt out of the auxiliary offsite stabling and training facility and vanning program, as specified. The bill would provide that the board shall reserve the right to adjudicate any disputes that arise regarding costs, or other matters, relating to the furnishing of offsite stabling or vanning, as specified.

(2) By expanding the provisions of the Horse Racing Law, a violation of which is a crime, the bill would create new crimes and would thereby impose a state-mandated local program.

(3) 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.

(4) This bill would declare that it is to take effect immediately as an urgency statute.

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

SECTION 1. Section 19607 of the Business and Professions Code is amended to read:

19607. (a) Notwithstanding Sections 19605.8 and 19605.9, when satellite wagering is conducted on thoroughbred races at associations or fairs in the central or southern zone, an amount not to exceed 2 percent of the total amount handled by all of those satellite wagering facilities shall be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead distributed to an organization formed and operated by one licensed association from each facility in the central and southern zones at which a thoroughbred or fair racing meeting is conducted, and the organization representing thoroughbred horsemen and horsewomen, for use in accordance with Section 19607.1.

(b) A vote of the organization representing thoroughbred horsemen and horsewomen shall constitute 50 percent of all voting interests on the board of the organization formed and operated to administer the fund. The other 50 percent of all voting interests shall be allocated equally among the other members of the organization. Any use of funds by the organization shall be approved by the affirmative vote of both (1) the organization representing thoroughbred horsemen and horsewomen, and (2) at least two of the licensed thoroughbred racing associations that are part of the organization formed pursuant to this section, provided, however, that, if there are only two licensed thoroughbred racing associations that are part of the organization formed pursuant to this section, the vote of at least one of those two licensed thoroughbred racing associations shall be sufficient.

SEC. 2. Section 19607.1 of the Business and Professions Code is amended to read:

19607.1. (a) Notwithstanding Section 19535, the funds distributed to the organization formed pursuant to Section 19607 shall be used to pay the expenses of the organization and compensate the provider of a board-approved auxiliary facility for offsite stabling and training of thoroughbred horses in the central or southern zone. The organization administering the offsite stabling and vanning program shall submit its proposed financial and operational plans for the upcoming calendar year to the board

for review no later than November 1 of the preceding year. Neither the organization administering the offsite stabling and vanning program nor any of the entities forming and operating the organization, except an entity operating the auxiliary offsite stabling facility where the injury occurred, shall be liable for any injury to any jockey, exercise person, owner, trainer, or any employee or agent thereof, or any horse occurring at any offsite stabling facility.

(b) The funds shall also be used to cover all or part of the cost of vanning thoroughbred horses from a board-approved auxiliary offsite stabling and training facility to start in a thoroughbred race at a thoroughbred or fair racing meeting in the central or southern zone. The organization shall determine the extent of and manner in which compensation will be paid for thoroughbred horses that are vanned from the auxiliary facility to the track conducting the thoroughbred or fair racing meeting, but the vanning shall be made available on a consistent and uniform basis for all thoroughbred and fair racing meetings in a given year. Neither the organization administering the offsite stabling and vanning program nor any of the entities that form and operate the organization, except an entity actually engaged in vanning horses, is liable for any injury occurring to any individual or horse during vanning from an offsite stabling facility.

(c) The auxiliary offsite stabling facilities and amenities provided for offsite stabling and training purposes shall be substantially equivalent in character to those provided by the thoroughbred racing association or fair conducting the racing meeting.

(d) In order to ensure the long-term availability of facilities for offsite stabling and training, the organization may enter into multiyear contracts for auxiliary facilities in either the central or southern zone. The organization shall submit to the board for its approval multiyear contracts it enters into with providers of auxiliary facilities for the offsite stabling and training. Contracts not disapproved by the board within 60 days of submittal to the board shall be deemed to have been approved by the board. Once a multiyear contract has been approved by the board, it shall be considered to have been approved for its duration.

(e) At the request of the board, the organization shall submit a report detailing all of its receipts and expenditures over the prior

two fiscal years and, upon request of any party within the organization, those receipts and expenditures shall be audited by an independent third party selected by the board at the expense of the organization.

(f) In addition to the uses of funds described in subdivisions (a) and (b), the organization may use those funds to do both of the following:

(1) Maintain a reserve fund of up to 10 percent of the total estimated annual vanning and auxiliary offsite stabling costs. In addition to the reserve fund, if the funds generated for the auxiliary offsite stabling facilities and vanning are insufficient to fully cover the expenses incurred, the organization may, in the future, accumulate sufficient funds to fully cover those expenses.

(2) Pay back commissions, purses, and owners' premiums to the extent the deductions made pursuant to Section 19607 exceed in any year the amount of funds necessary to achieve the objectives of the organization.

(g) The amount initially deducted and distributed to the organization shall be 2 percent of the total amount handled by satellite wagering facilities authorized under this article in the central or southern zone on thoroughbred racing, but that allocation may be adjusted by the board, in its discretion. However, the adjusted amount may not exceed 2 percent of the total amount handled by satellite wagering facilities.

(h) The board shall reserve the right to adjudicate any disputes that arise regarding costs or other matters relating to the furnishing of offsite stabling or vanning. Notwithstanding any other law, the board shall maintain all powers necessary and proper to ensure that offsite stabling and vanning, as provided for in this chapter, is conducted in a manner that protects the public and serves the best interests of horse racing.

SEC. 3. Section 19607.2 of the Business and Professions Code is amended to read:

19607.2. Notwithstanding Section 19605.8, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern zone, an amount not to exceed 2 percent of the total amount handled by all of those satellite wagering facilities shall be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead be distributed to an organization formed and operated by

thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen and horsewomen, for use pursuant to Section 19607.3. A vote of the organization representing thoroughbred horsemen and horsewomen shall constitute 50 percent of all voting interests on the board of the organization formed and operated to administer the fund. The other 50 percent of all voting interests shall be allocated among thoroughbred racing associations and fairs conducting thoroughbred racing in a manner that provides meaningful representation on the governing board of the organization for thoroughbred racing associations and fairs conducting thoroughbred racing, except as provided in subdivision (h) of Section 19607.3.

SEC. 4. Section 19607.3 of the Business and Professions Code is amended to read:

19607.3. (a) Notwithstanding Section 19535, the funds distributed to the organization formed pursuant to Section 19607.2 shall be used to pay the expenses of the organization and compensate the provider of a board-approved auxiliary facility for offsite stabling and training of thoroughbred horses in the northern zone. The organization administering the offsite stabling and vanning program shall submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year. Neither the organization administering the offsite stabling and vanning program nor any of the entities forming and operating the organization, except an entity operating the auxiliary offsite stabling facility where the injury occurred, shall be liable for any injury to any jockey, exercise person, owner, trainer, or any employee or agent thereof, or any horse occurring at any offsite stabling facility.

(b) The funds shall also be used to cover all or part of the cost of vanning thoroughbred horses from a board-approved auxiliary offsite stabling and training facility to start in a thoroughbred race at a thoroughbred or fair racing meeting in the northern zone. The organization shall determine the extent of and manner in which compensation will be paid for thoroughbred horses that are vanned from the auxiliary facility to the track or fair conducting the thoroughbred or fair racing meeting. Neither the organization administering the offsite stabling and vanning program nor any of the entities that form and operate the organization, except an entity

actually engaged in vanning horses, is liable for any injury occurring to any individual or horse during vanning from an offsite stabling facility.

(c) The auxiliary offsite stabling facilities and amenities provided for offsite stabling and training purposes shall be substantially equivalent in character to those provided by the thoroughbred racing association or fair conducting the racing meeting.

(d) In order to ensure the long-term availability of facilities for offsite stabling and training, the organization may enter into multiyear contracts for auxiliary facilities in the northern zone. The organization shall submit to the board for its approval multiyear contracts it enters into with providers of auxiliary facilities for the offsite stabling and training. Contracts not disapproved by the board within 60 days of submittal to the board shall be deemed to have been approved by the board. Once a multiyear contract has been approved by the board, it shall be considered to have been approved for its duration.

(e) At the request of the board, the organization shall submit a report detailing all of its receipts and expenditures over the prior two fiscal years and, upon request of any party within the organization, those receipts and expenditures shall be audited by an independent third party selected by the board at the expense of the organization.

(f) In addition to the uses of the funds described in subdivisions (a) and (b), the organization may use those funds to do both of the following:

(1) Maintain a reserve fund of up to 10 percent of the total estimated annual vanning and auxiliary offsite stabling costs. In addition to the reserve fund, if the funds generated for the auxiliary offsite stabling facilities and vanning are insufficient to fully cover the expenses incurred, the organization may, in the future, accumulate sufficient funds to fully cover those expenses.

(2) Pay back commissions, purses, and owners' premiums to the extent the deductions made pursuant to Section 19607.2 exceed in any year the amount of funds necessary to achieve the objectives of the organization.

(g) The amount initially deducted and distributed to the organization pursuant to Section 19607.2 may be adjusted by the board, in its discretion. However, the adjusted amount shall not

exceed 2 percent of the total amount handled by satellite wagering facilities. The amount deducted and distributed to the organization as adjusted by the board may be a different percentage of the handle for different associations and fairs conducting thoroughbred racing meetings in the northern zone, but only if all the associations and fairs agree to the differing percentages.

(h) A thoroughbred racing association or fair in the northern zone that the board determines is able to provide the minimum number of stalls required by its racing meeting license without the use of any auxiliary offsite stabling and training facility and vanning program may opt out of that program, in which case the deduction described in Section 19607.2 shall not apply during the live racing meeting conducted by the association or fair until such time as the association or fair opts back into the auxiliary offsite stabling and training facility and vanning program. Any thoroughbred racing association or fair in the northern zone that opts out of the auxiliary offsite stabling and training facility and vanning program shall not have any voting interest therein until such time as the association or fair opts back into the program. The organization shall establish reasonable procedures and timelines for the giving of notice to the organization by a thoroughbred racing association or fair that elects to opt out of the auxiliary offsite stabling and training facility and vanning program.

(i) The board shall reserve the right to adjudicate any disputes that arise regarding costs, or other matters, relating to the furnishing of offsite stabling or vanning. Notwithstanding any other law, the board shall maintain all powers necessary and proper to ensure that offsite stabling and vanning, as provided for in this chapter is conducted in a manner that protects the public and serves the best interests of horse racing.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that the horse racing industry may continue, uninterrupted, to provide offsite stabling and vanning in an effective manner that protects the public safety, it is necessary that this act take effect immediately.

DRAFT

a California joint powers agency

1776 Tribute Road, Suite 205
Sacramento, CA 95815
Office: 916.927.7223 Fax: 916.263.3341
www.calfairs.com

June 2, 2016

Mr. Rick Baedeker, Executive Director
California Horse Racing Board
1010 Hurley Way
Sacramento, CA 95825

Dear Mr. Baedeker,

As requested by Board staff, the California Authority of Racing Fairs respectfully submits the attached proposals for Northern California racing dates at CARF member Fairs in 2017. Horse racing is conducted at the CARF member Fairs shown below.

- **Alameda County Fair**
- **California State Fair**
- **Humboldt County Fair**
- **Fresno District Fair**

Thank you for your consideration in this matter.

Respectfully submitted,

Christopher Korby
Executive Director

Cc: CARF Racing Fair CEO's

DRAFT

CALIFORNIA AUTHORITY OF RACING FAIRS Proposed Racing Dates for CARF Member Fairs in Northern California 2017

2017

- June 21-July 6
 - Alameda County Fair - Oak Tree at Pleasanton
- July 12-July 30
 - California State Fair
- August 23-Sept 4
 - Humboldt County Fair
- Sept. 6-Sept. 17
 - Alameda County Fair - Oak Tree at Pleasanton Fall
- Sept. 20-Oct. 1
 - Alameda County Fair - Oak Tree at Pleasanton Fall (formerly Stockton)
- Oct. 4-Oct. 15
 - Fresno District Fair

Please note that this proposed schedule shows inclusive calendar blocks proposed for each Fair. Specific racing dates may vary within those proposed blocks.

DRAFT A - 2017 PROPOSED NORTHERN CALIFORNIA RACING DATES CALENDAR - DRAFT A

2016

DRAFT: May 31, 2016

December						
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RACE DAYS	
Pleasanton	12
Cal Expo	11
Santa Rosa	11
Humboldt	7
Oak Tree/CARF (Pleasanton Fall)	8
Stockton (Pleasanton Fall)	8
Fresno	9

CARF MEETS	55
SANTA ROSA	11
TOTAL FAIR DAYS	66

SIMULCAST-ONLY DAYS	21
TOTAL NORTHERN CALIFORNIA FAIR DAYS	66

2017

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Calendar for year 2016 (United States)

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Calendar for year 2017 (United States)

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