

a California joint powers agency

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AGENDA CALIFORNIA AUTHORITY OF RACING FAIRS LIVE RACING COMMITTEE MEETING JOHN ALKIRE, CHAIR 11:00 A.M., TUESDAY, OCTOBER 11, 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., Tuesday, October 11, 2016. The meeting will be held in Fresno at The Big Fresno Fair. 1121 Chance Avenue, Administrative Conference Room, Fresno, CA 93702.

AGENDA

- I. Date, time and location of next meeting: December date To Be Determined in Sacramento.
- II. Public Comment.
- III. Approval of minutes.
- IV. Report, discussion and action, if any, on the 2016/17 Legislative Program.
- V. Discussion and action, if any, on Racing Dates for 2017 and beyond.
- VI. Discussion and action, if any, on Vanning and Stabling Agreement for 2017.
- VII. Update, discussion and action, if any, on proposal to CDFA for allocation of parimutuel license fees to CARF's Race Track Safety Program.
- VIII. Executive Director's Report.

CALIFORNIA AUTHORITY OF RACING FAIRS

Live Racing Committee Tuesday, June 7, 2016

MINUTES

A meeting of the California Authority of Racing Fairs (CARF) Live Racing Committee was held at 11:00 A.M., Tuesday, June 7, 2016. The meeting was hosted at the CARF Board Room, 1776 Tribute Road, Sacramento, California.

CARF Live Racing Committee members attending: John Alkire, Richard Conway, Jerome Hoban and Rick Pickering.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Heather Haviland, Juliana Gomes, Raechelle Gibbons, Allen Aldrich, John Quiroz, Lauri King and Caroline Titus.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Live Racing Committee meeting is scheduled for Oct. 11, 2016 in Sacramento.

Agenda Item 2 – Public Comment. Mr. Alkire introduced Lauri King, Deputy Manager II at the Big Fresno Fair, and noted that Ms. King will be attending all future CARF Live Racing Committee meetings.

Agenda Item 3 – Approval of Minutes. Mr. Hoban moved to approve the meeting minutes as presented. Mr. Conway seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any, on 2016 Legislative Program. Item deferred to the CARF Board of Director's Meeting at 1:00 p.m.

Agenda Item 5 – Discussion and Action, if any, on Racing Dates for 2017 and Beyond. Mr. Korby reported that the California Horse Racing Board (CHRB) has established a new statewide Racing Dates Committee, replacing the previously utilized regional committees. The statewide committee is scheduled to meet June 15 at Santa Anita Park. The CHRB statewide Racing Dates Committee is chaired by Commissioner Winner with Commissioner Krikorian and Commissioner Beneto sitting as members. CHRB staff has requested calendar submissions and accompanying descriptions from each association in advance of the June 15 meeting. CARF staff submitted, on behalf of member fairs, the CARF Live Racing Committee calendar adopted in prior meetings. Subsequently, CARF staff received a copy of the Golden Gate Fields (GGF) calendar submission which was distributed to the group as a handout.

Mr. Korby reported that the calendars already submitted by CARF and GGF show significant differences in August (overlap vs. no overlap during Humboldt) and in late September/early October (racing at Pleasanton vs. GGF). The group discussed the merits of formally approving the portion of the calendar in which CARF and GGF interests align.

Mr. Korby requested that Mr. Quiroz secure a letter of support from CDFA to the CHRB regarding keeping fair dates at fairs, specifically the September dates that were previously run by the San Joaquin County Fair in Stockton.

Mr. Pickering moved to formally support the calendar submitted by Golden Gate Fields in so far as it matches the CARF proposal from Dec. 26, 2016 through August 20, 2017 and Oct. 4, 2017 through the end of the year. Mr. Hoban seconded, unanimously approved.

Agenda Item 6 – Discussion and Action, if any, on Summer Racing Operations. Mr. Swartzlander reported that he and Mr. Doutrich met with Doug Burge to formalize the participation of key breeders in the CARF VIP program. CARF staff will also be targeting owners and trainers that ran on the fairs but did not participate at Stockton and Fresno in order to increase their awareness of the latter meets.

Mr. Hoban requested a VIP list from TOC and CTBA for inclusion in the Oak Tree at Pleasanton Party in the Paddock invitation list.

Mr. Swartzlander reported that the fire clearance and HD installation will be complete at Pleasanton this week. Fire clearance issues in the barn area are becoming more and more strenuous, especially as it applies to live-in tack rooms.

Mr. Swartzlander reported a total of 406 horses are currently stabled at Pleasanton and a number of horses from Washington are expected to join the circuit during or immediately after Sacramento.

Mr. Hoban asked about the status of pending payments owed to the Supplemental Trust for racing officials and assistant starters' pension. Mr. Korby recommended that CARF staff contact Ken Walker to seek a legal opinion from the Federation before engaging with CARF legal counsel.

Agenda Item 7 – Executive Director's Report. Mr. Korby reported that the meeting packets include an *Agreement for CHRB Support Fiscal Year* 2016/17 which was recently signed by CARF staff. This type of agreement has been in place since SB 16XX was enacted.

Mr. Korby reported that the meet packets also include a memo circulated by Rick Baedeker from the California Horse Racing Board regarding continuing discussions of reducing the 20-mile satellite protection radius in exchange for an increase in commissions. Mr. Korby noted that this memo was included for information purposes and that CARF has not yet taken a position on any of the proposals outlined in the enclosed memo.

Respectfully submitted, Heather Haviland

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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

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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. 1st House 2nd House Enrolled Vetoed Chaptered

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.

OrganizationPositionPriorityAssignedSubjectCARFWatch

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)

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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.

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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.

OrganizationPositionPriorityAssignedSubjectCARFWatch

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.

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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 SubjectCARF 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.

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1st House 2nd House Conc. Enrolled Vetoed Chaptered

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.

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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)

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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.

OrganizationPositionPriorityAssignedSubjectCARFWatch

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.

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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)

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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)

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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.

OrganizationPositionPriorityAssignedSubjectCARFWatch

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)

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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)

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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.

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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)

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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.

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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.

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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.

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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)

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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.

OrganizationPositionPriorityAssignedSubjectCARFWatch

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)

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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.

OrganizationPositionPriorityAssignedSubjectCARFWatch

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.

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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

Juliana Gomes

From:

Christopher Korby [korby@calfairs.net] Sunday, October 02, 2016 3:46 PM

Sent: To:

Juliana Gomes; Heather Haviland

Subject:

Fw: Governor Brown Issues Legislative Update - OCT 11 MEETING PACKET MATERIALS-

legislative

Follow Up Flag: Flag Status:

Follow up Flagged

Print this e-mail to add to the meeting packet for agenda item related to legislative matters.

Thanks,

-Chris

From: Christopher Korby

Sent: Monday, September 26, 2016 10:37 AM

To: John Alkire; Jerome Hoban; Rick Pickering; Richard Conway; Chilly - Sherwood Chillingworth

Cc: Larry Swartzlander; Richard Scheidt; Heather Haviland; Tom Doutrich; Juliana Gomes; Louie Brown

Subject: Fw: Governor Brown Issues Legislative Update

To CARF Member Racing Fairs:

The Governor has signed AB 2011, a bill which addresses management of auxiliary off-site stabling, training and vanning.

As you know from discussions at CARF meetings over the last year, this bill was part of our legislative program for 2016. The purpose of this bill was to allow for greater flexibility in management of auxiliary stabling facilities. Our thanks to Assembly Member Jim Cooper, who carried the bill and has worked with us since February to move this measure through the legislature.

This bill began the legislative session as a Northern California measure. In July, as the legislature approached mid-session, we were asked by others to add language to the bill which would also cover Southern California. Subsequently, we worked with the racing industry and with the author to move an expanded bill through to passage. The provisions of the bill, as signed by the Governor, apply statewide.

Louie Brown did his usual outstanding job advocating for this bill on CARF's behalf. We'll also pass on our sincere thanks to Assembly Member Cooper for the high level of cooperation from his office in moving this bill though to success.

Best regards,

-Chris

Christopher Korby **Executive Director** California Authority of Racing Fairs

Subject: From Christopher Korby: Governor Brown Issues Legislative Update

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FOR IMMEDIATE RELEASE: Saturday, September 24, 2016

Contact: Governor's Press Office (916) 445-4571

Governor Brown Issues Legislative Update

SACRAMENTO - Governor Edmund G. Brown Jr. today announced that he has signed the following bills:

- AB 38 by Assemblymember Susan Talamantes Eggman (D-Stockton) Mental health: Early Diagnosis and Preventive Treatment Program.
- AB 73 by Assemblymember Marie Waldron (R-Escondido) Real property: disclosure.
- AB 499 by Assemblymember Ken Cooley (D-Rancho Cordova) Insurance: earthquake: mandatory offer.
- AB 575 by Assemblymember Patrick O'Donnell (D-Long Beach) Instructional materials: followup adoptions.
- AB 691 by Assemblymember Ian C. Calderon (D-Whittier) Revised Uniform Fiduciary Access to Digital Assets Act.
- AB 723 by Assemblymember David S. Chiu (D-San Francisco) Housing: finance.
- AB 736 by Assemblymember Ken Cooley (D-Rancho Cordova) State teachers' retirement: executive positions.
- AB 797 by Assemblymember Marc Steinorth (R-Rancho Cucamonga) Motor vehicles; rescue or provision of care for animal: civil and criminal liability.
- AB 1687 by Assemblymember Ian C. Calderon (D-Whittier) Customer records: age information: commercial online entertainment employment service providers.
- AB 1719 by Assemblymember Freddie Rodriguez (D-Pomona) Pupil instruction: cardiopulmonary resuscitation.
- AB 1748 by Assemblymember Chad J. Mayes (R-Yucca Valley) Pupils: pupil health: opioid antagonist.
- AB 1807 by Assemblymember Rob Bonta (D-Alameda) Real estate licensees.
- AB 1875 by Assemblymember Rocky Chávez (R-Oceanside) State teachers' retirement: option beneficiaries: trusts.
- AB 1899 by Assemblymember Ian C. Calderon (D-Whittier) Insurance: production agents: license examinations.
- AB 1932 by Assemblymember Jay P. Obernolte (R-Big Bear Lake) Vehicles: motorcycle safety training.
- AB 1958 by Assemblymember Jim Wood (D-Healdsburg) Forestry: timberlands: restoration and conservation forest management activities.
- AB 2011 by Assemblymember Jim Cooper (D-Elk Grove) Thoroughbred racing: northern, central, and southern zones: auxiliary offsite stabling, training, and vanning.
- AB 2029 by Assemblymember Brian Dahle (R-Bieber) Timber harvesting plans: exemptions.
- AB 2125 by Assemblymember David S. Chiu (D-San Francisco) Healthy Nail Salon Recognition Program.
- AB 2172 by Assemblymember Brian W. Jones (R-Santee) Homebrewery clubs: meetings: competitions.
- AB 2180 by Assemblymember Philip Y. Ting (D-San Francisco) Land use: development project review.
- AB 2192 by Assemblymember Rudy Salas Jr. (D-Bakersfield) Court Reporters Board of California: Shorthand reporters fees: Transcript Reimbursement Fund.
- AB 2269 by Assemblymember Marie Waldron (R-Escondido) Animal shelters: research animals: prohibitions.
- AB 2294 by Assemblymember Jimmy Gomez (D-Los Angeles) The California State University: employees: leaves of absence without loss of compensation.
- AB 2308 by Assemblymember Roger Hernández (D-West Covina) Health care coverage: information to students.
- AB 2313 by Assemblymember Das G. Williams (D-Santa Barbara) Renewable natural gas: monetary incentive program for biomethane projects: pipeline infrastructure.

- AB 2331 by Assemblymember Matthew M. Dababneh (D-Encino) Dentistry: applicants to practice.
- AB 2366 by Assemblymember Matthew M. Dababneh (D-Encino) Long-term care insurance.
- AB 2368 by Assemblymember Richard S. Gordon (D-Menlo Park) Child care and development services: individualized
 county child care subsidy plan: County of Santa Clara.
- AB 2485 by Assemblymember Miguel Santiago (D-Los Angeles) Dental Corps Loan Repayment Program.
- AB 2515 by Assemblymember Shirley N. Weber (D-San Diego) Water Conservation in Landscaping Act: model water-efficient landscaping ordinance.
- AB 2570 by Assemblymember Bill Quirk (D-Hayward) Telecommunications: universal service: reimbursement claims.
- AB 2616 by Assemblymember Autumn R. Burke (D-Inglewood) California Coastal Commission: environmental justice.
- AB 2785 by Assemblymember Patrick O'Donnell (D-Long Beach) Special education: English learners: manual.
- AB 2800 by Assemblymember Bill Quirk (D-Hayward) Climate change: infrastructure planning.
- AB 2844 by Assemblymember Richard H. Bloom (D-Santa Monica) Public contracts: discrimination.
- AB 2900 by the Committee on Jobs, Economic Development, and the Economy Income taxation: credits: California Competes Tax Credit Committee; GO-Biz.
- SB 683 by Senator Lois Wolk (D-Davis) Alcoholic beverage licenses: nonprofit sales license.
- SB 873 by Senator Jim Beall (D-San Jose) Revised Uniform Fiduciary Access to Digital Assets Act.
- SB 982 by Senator Mike McGuire (D-Healdsburg) State Department of Developmental Services: developmental centers.
- SB 1000 by Senator Connie M. Leyva (D-Chino) Land use: general plans: safety and environmental justice.
- SB 1008 by Senator Ricardo Lara (D-Bell Gardens) California Environmental Quality Act: Los Angeles Regional Interoperable Communications System: exemption.
- SB 1028 by Senator Jerry Hill (D-San Mateo) Electrical corporations: local publicly owned electric utilities: electrical cooperatives: wildfire mitigation plans. A signing message can be found here.
- SB 1091 by Senator Carol Liu (D-La Canada Flintridge) Long-term care insurance.
- SB 1172 by Senator Loni Hancock (D-Berkeley) Tidelands and submerged lands: City of Albany.
- SB 1177 by Senator Cathleen Galgiani (D-Stockton) Physician and Surgeon Health and Wellness Program.
- SB 1179 by Senator Andy Vidak (R-Hanford) Public cemetery districts: interment rights.
- SB 1192 by Senator Jerry Hill (D-San Mateo) Private postsecondary education: California Private Postsecondary Education
 Act of 2009.
- SB 1262 by Senator Fran Pavley (D-Agoura Hills) Water supply planning.
- SB 1331 by Senator Fran Pavley (D-Agoura Hills) State Board of Guide Dogs for the Blind: membership: out-of-state schools: followup services.
- SB 1425 by Senator Fran Pavley (D-Agoura Hills) Water-energy nexus registry.
- SB 1476 by the Committee on Committee on Governance and Finance Personal income taxes; voluntary contributions,

Governor Brown also announced that he has vetoed the following bills:

- AB 779 by Assemblymember Cristina Garcia (D-Bell Gardens) Local government: financial disclosures. A veto message can
 be found here.
- AB 1824 by Assemblymember Ling-Ling Chang (R-Diamond Bar) Guide, signal, or service dogs: injury or death. A veto message can be found here.
- AB 2017 by Assemblymember Kevin McCarty (D-Sacramento) College Mental Health Services Program. A veto message can be found here.
- AB 2077 by Assemblymember Autumn R. Burke (D-Inglewood) Health Care Eligibility, Enrollment, and Retention Act. A veto message can be found here.
- AB 2548 by Assemblymember Shirley N. Weber (D-San Diego) School accountability: statewide accountability system. A veto message can be found here.
- AB 2559 by Assemblymember Jim L. Frazier Jr. (D-Oakley) Visitor centers: guide signs. A veto message can be found here.
- AB 2629 by Assemblymember Roger Hernández (D-West Covina) -- Court reporters. A veto message can be found here.
- AB 2766 by Assemblymember Patty Lopez (D-San Fernando) Student Aid Commission. A veto message can be found here.
- SB 1328 by Senator Ricardo Lara (D-Bell Gardens) Water delivery projects: reduction of greenhouse gas emissions: funding.
 A veto message can be found <u>here</u>.
- SB 1340 by Senator Lois Wolk (D-Davis) Water Conservation in Landscaping Act. A veto message can be found here.
- SB 1451 by Senator Tony Mendoza (D-Artesia) State Compensation Insurance Fund: executive and management appointments. A veto message can be found https://executive.new.org/new.org/new.org/
- SB 1463 by Senator John Moorlach (R-Costa Mesa) Electrical lines: mitigation of wildfire risks. A veto message can be found here.

For full text of the bills, visit: http://leginfo.legislature.ca.gov



AB-2011 Thoroughbred racing: northern, central, and southern zones: auxiliary offsite stabling, training, and vanning. (2015-2016)

Assembly Bill No. 2011

CHAPTER 562

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.

[Approved by Governor September 24, 2016. Filed with Secretary of State September 24, 2016.]

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 boardapproved 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

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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.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: yes

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 boardapproved 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 boardapproved 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

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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.

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- (b) The funds shall also be used to cover all or part of the cost of vanning thoroughbred horses from a boardapproved 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 XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred

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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.

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

September 19, 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

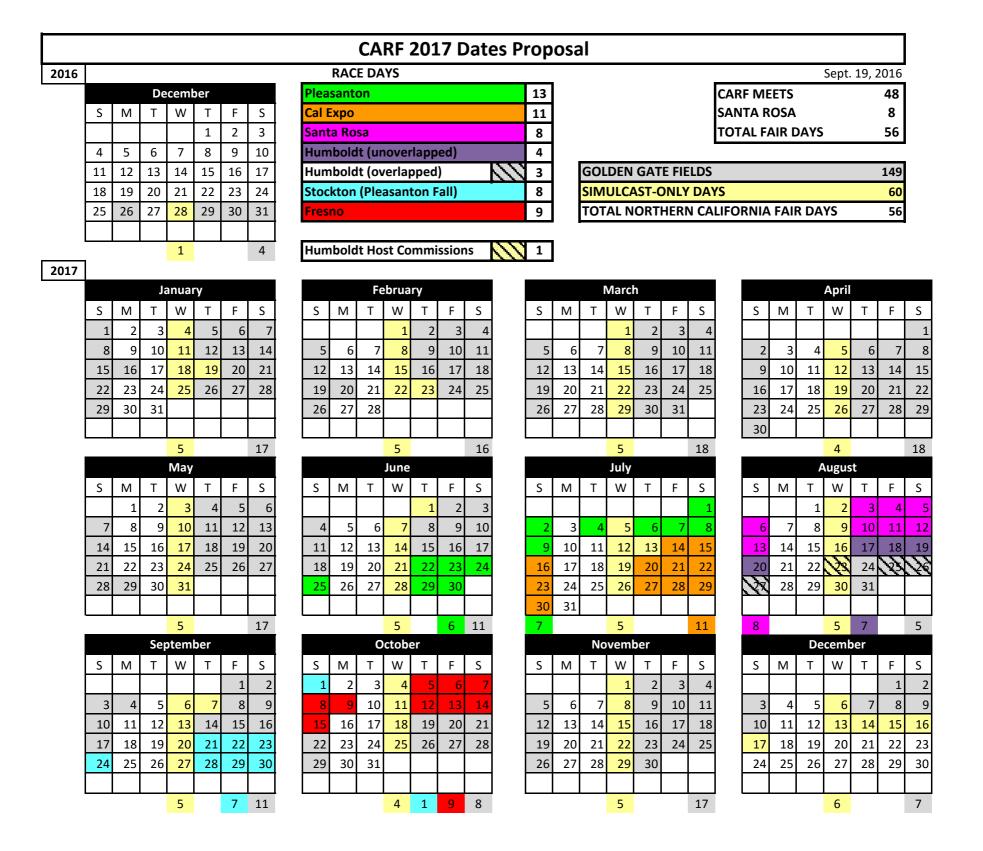
Attachment: 1

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

Proposed for 2017

- June 21-July 11
 - o Alameda County Fair Oak Tree at Pleasanton
- July 12-August 1
 - o California State Fair
- August 16-August 27
 - o Humboldt County Fair
 - First week unoverlapped four live race days
 - Humboldt County Fair Host status (8/16 through 8/23)
 - Humboldt County Fair revenue-sharing Week 1 (August 16-20) with Sonoma County Fair
 - Three overlapped race days with Golden Gate Fields (8/25, 8/26, 8/27)
- Sept. 20-Oct. 3
 - Alameda County Fair Oak Tree at Pleasanton Fall (formerly Stockton Fair dates)
- Oct. 4-Oct. 17
 - o Fresno District Fair

Please note that the attached calendar shows in visual format the dates proposed for each Fair, as described above. Dates shown reflect Host status unless otherwise noted.



NORTHERN CALIFORNIA STABLING AGREEMENT

The following matters are agreed to as of December 11, 2015 by and between Pacific Racing Association ("Golden Gate") and California Authority of Racing Fairs ("CARF") regarding stabling in Northern California for the time period from December 26, 2015 through October 16, 2016:

- 1. <u>Pleasanton Stalls</u>. Alameda County Fair ("Pleasanton") will provide 350 stalls with racetrack training access to the Thoroughbred industry for Thoroughbred stabling and training six days per week during the time period from December 26, 2015 through September 30, 2016. Pleasanton will conduct the stabling and training operations in a manner consistent with Pleasanton's past practice during 2014 and 2015.
- 2. <u>Payment to Pleasanton</u>. Pleasanton will receive from the stabling and vanning fund reimbursement of Pleasanton's incremental costs of operating the 350 stalls for Thoroughbred stabling and training. The parties agree that the reimbursement amount shall be \$7,100 per day for each day of training; provided, however, that Pleasanton will make its books and records available for review by representatives of Golden Gate and the Thoroughbred Owners of California ("TOC") to confirm the amount of the incremental expenses. If there is any dispute regarding the amount of the incremental expenses such dispute shall be resolved by the California Horse Racing Board ("CHRB"). Pleasanton will not receive daily reimbursement (i) during its live race meet and (ii) for the three day period before and the two day period after such meet.
- 3. <u>Golden Gate Stalls</u>. Golden Gate agrees to provide 1,325 stalls with racetrack training access to the Thoroughbred industry for Thoroughbred stabling and training six days per week during the term. Golden Gate will conduct the stabling and training operations in a manner consistent with Golden Gates's past practice during 2014 and 2015.
- 4. Payment to Golden Gate. Golden Gate will receive from the stabling and vanning fund reimbursement of Golden Gate's incremental costs of operating the 1,325 stalls for Thoroughbred stabling and training. The parties agree that the reimbursement amount shall be \$16,900 per day for each day of training; provided, however, that Golden Gate will make its books and records available for review by representatives of CARF and the TOC to confirm the amount of the incremental expenses. If there is any dispute regarding the amount of the incremental expenses such dispute shall be resolved by the CHRB. Golden Gate will not receive daily reimbursement (i) during its live race meets and (ii) for the three day period before and the two day period after such meets.
- 5. <u>Vanning</u>. The parties agree that the following allocations will be made from the stabling and vanning fund in order to provide reimbursement to horsemen to cover vanning costs for horses shipping to run at northern California fairs: (a) \$30,000 will be allocated for use by

151202.4

CARF to reimburse horsemen for the cost of shipping horses from Pleasanton or Golden Gate to the Fresno District Fair while such fair is conducting racing in October of 2016; and (b) \$45,000 will be allocated for use by CARF to reimburse horsemen for the cost of shipping horses from Pleasanton or Golden Gate to fairs at Sacramento, Humboldt County, Stockton or Fresno while such fairs are conducting racing during 2016. CARF agrees that all such reimbursements to horsemen will be made through the CARF Paymaster and that those reimbursement records will be available for review by the stabling and vanning committee.

- 6. <u>Stabling and Vanning Committee</u>. Golden Gate and CARF agree to each vote their interest on the stabling and vanning committee in a manner consistent with this agreement beginning with a meeting to affirmatively vote to confirm this agreement no later than December 15, 2015.
- 7. <u>Term.</u> The term of this agreement will commence on December 23, 2015 and continue until October 16, 2016.

[SIGNATURES ON NEXT PAGE]

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151202.4

The parties agree to the foregoing terms and conditions.

PACIFIC RACING ASSOCIATION

CALIFORNIA AUTHORITY OF RACING FAIRS

Name: CHRISTO

Date: Pec

Calendar for year 2016 (United States)

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Calendar for year 2017 (United States)

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22	23	24	25	26	27	28			
29	30	31							

	February							
Su	Мо	Tu	We	Th	Fr	Sa		
			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						

	March								
Su	Мо	Tu	We	Th	Fr	Sa			
			1	2	3	4			
5	6	7	8	9	10	11			
12	13	14	15	16	17	18			
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26	27	28	29	30	31				

	April							
Su	Мо	Mo Tu We Th Fr Sa						
						1		
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16	17	18	19	20	21	22		
23	24	25	26	27	28	29		
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	May									
Su	Мо	Tu	We	Th	Fr	Sa				
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7	8	9	10	11	12	13				
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June									
Su	Мо	Tu	We	Th	Fr	Sa			
				1	2	3			
4	5	6	7	8	9	10			
11	12	13	14	15	16	17			
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	July							
Su	Мо	Mo Tu We Th Fr Sa						
						1		
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August								
Su	Мо	Tu	We	Th	Fr	Sa		
		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				

September						
Su	Мо	Tu	We	Th	Fr	Sa
					1	2
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
Su	Мо	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
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22	23	24	25	26	27	28
29	30	31				

November						
Su	Мо	Tu	We	Th	Fr	Sa
			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		

	December						
Su	Мо	Tu	We	Th	Fr	Sa	
					1	2	
3	4	5	6	7	8	9	
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17	18	19	20	21	22	23	
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31						·	