

a California joint powers agency

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

NOTICE CALIFORNIA AUTHORITY OF RACING FAIRS LIVE RACING COMMITTEE MEETING JOE BARKETT, CHAIR 12:30 P.M., WEDNESDAY, SEPTEMBER 3, 2008

Notice is hereby given that a teleconference meeting of the Live Racing Committee will commence at 12:30 P.M., Wednesday, September 3, 2008. The meeting will be held at the San Joaquin Fairgrounds, Building #3, located at 1658 S. Airport Way, Stockton, California 95206.

The Public and members of the Live Racing Committee may participate from the following locations:

Alameda County Fair	Humboldt County Fair	Solano County Fair
4501 Pleasanton Ave.	1250 5 th Street	900 Fairgrounds Drive
Pleasanton, CA 94566	Ferndale, CA 95536	Vallejo, CA 94589
The Big Fresno Fair	San Joaquin Fair	Sonoma County Fair
1121 S. Chance Avenue	1658 S. Airport Way	1350 Bennett Valley Road
Fresno, CA 93702	Stockton, CA 95206	Santa Rosa, CA 95404
California State Fair 1600 Exposition Blvd.	San Mateo County Fair 2495 South Delaware Street	

San Mateo, CA 94403

Sacramento, CA 95815





1658 S. AIRPORT WAY, STOCKTON



a California joint powers agency

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

AGENDA CALIFORNIA AUTHORITY OF RACING FAIRS LIVE RACING COMMITTEE MEETING JOE BARKETT, CHAIR 12:30 P.M., WEDNESDAY, SEPTEMBER 3, 2008

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AGENDA

- I. Determination of Date, Time, and Location of Next Meeting.
- II. Approval of Minutes from June 3.
- III. Discussion and Action, if any, on a Combined Fair Meeting in 2009.
- IV. Discussion and Action, if any, on Implementation of AB 765.
- V. Discussion and Action, if any, on Racing Calendar for 2009 and Beyond.
- VI. Discussion and Action, if any, on Legislative Matters.
- VII. Report on Closing of Bay Meadows and Expansion of Year-round Stabling and Training at Pleasanton.
- VIII. Report on NTRA Proposal for Alliance Relating to Safety and Integrity Issues.
 - IX. Executive Director's Report.

CALIFORNIA AUTHORITY OF RACING FAIRS

Live Racing Committee Tuesday, June 3, 2008

Minutes

A meeting of the California Authority of Racing Fairs Live Racing Committee was held at 11:00 A.M., Tuesday, June 3, 2008. The meeting was conducted at the Kahn, Soares & Conway Conference Room located at 1415 L Street, Suite 400, Sacramento, California, 95814.

Live Racing Committee members attending: John Alkire, Joe Barkett, Rick Pickering and Stuart Titus. Joining by conference call: Chris Carpenter, Tawny Tesconi and Forrest White.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Heather Haviland, Margot Wilson, Mike Treacy and Dave Elliott.

Agenda Item 1 – Determination of Date, Time and Location of Next Meeting. The next CARF Board & Live Racing Committee meeting is tentatively scheduled for Wednesday, September 3, 2008 in Stockton.

Agenda Item 2 – Approval of Minutes from May 6, 2008. Mr. Barkett requested that the substitute motion in Agenda Item 4 be corrected to show two weeks allocated to Vallejo. Mr. Alkire moved to approve the meeting minutes as amended. Mr. Pickering seconded, unanimously approved.

Agenda Item 3 – Discussion and Action, if any, on a Combined Fair Meeting in 2009. Mr. Korby reported that the concept of a combined Fair meeting, which has been discussed by this group for several years, would create a single Fair meet for those Fairs wishing to participate. This method will give Fairs another measure of control over the summer racing dates and where those dates are run with continuity in racing operations (personnel, wagering menu, purse structure, stakes races, etc). A combined meeting would protect the block of dates and provide flexibility and latitude as the racing landscape in California continues to evolve.

Several technical issues were discussed such as Union seniority, legislation that might limit progress, how specific details might pan out, whether a consultant should be hired to look at the financial impact and potential autonomy of individual Fair Boards. The group came to the conclusion that the questions concerning details are numerous, but an agreement needs to be established regarding the concept of a combined meet before the details are analyzed.

Mr. Alkire moved that Fair Managers bring a position, supported by their respective Boards, regarding the concept of a combined Fair meeting to the Sept. 3, 2008 CARF Live Racing Committee Meeting in Stockton. Staff is directed to draft a one page document outlining the concept so that all parties establish a position on the same criteria. Mr. Titus seconded, unanimously approved.

Agenda Item 4 – Updates, Discussion and Action, if any, on Implementation of AB 765. Mr. Barkett reported that the California Horse Racing Board (CHRB) was not receptive to the proposed implementation of AB 765 (Evans), which is 2007 Fair legislation that authorizes

Fairs to contribute 1 percent of the total amount handled daily on their races to the Inclosure Facilities Improvement Fund for the improvement of Fair racing facilities. The CHRB Board requested more detailed information on how the money would be spent and the agenda item was delayed to the next CHRB meeting. The timing is problematic because Pleasanton will have already commenced racing by the next meeting and there will not be time to negotiate the out-of-state rates. Mr. Korby will provide the CHRB Board with a packet containing a status report on the design development of the Pleasanton engineered surface and backstretch expansion and improvements along with a financing proposal developed by Fieldman Rolapp detailing the steps required to secure financing.

Mr. Barkett expressed concerns and asked that CARF provide documentation to the CHRB outlining the plans specifically, not theoretically. Mr. Korby assured the group that the package would outline exact projects and respective costs. Mr. Korby stated that the two most logical courses of action at this point are to wait to implement the legislation in 2009 or request a special meeting of the CHRB prior to the opening of Pleasanton with the knowledge that out-of-state monies will not be captured in 2008 thereby setting a potential precedent that out-of-state entities are not required to participate.

Agenda Item 5 – Discussion and Action, if any, on a Racing Calendar for 2009 and Beyond. Mr. Korby introduced working calendars for future Fair racing. The group discussed concerns, requests and several variables that kept a consensus from being reached on the proposed calendars. Mr. Barkett requested that the group postpone racing calendar discussions to a conference call when more time can be spent on the subject.

[The meeting was not adjourned and continued via conference call on Thursday, June 5, 2008 at 10:00 a.m.]

Agenda Item 6 – Discussion and Action, if any, on Legislative Matters. [Minutes from June 3, 2008 Board Meeting] Mr. Brown reported on a meeting yesterday with racing industry principals. The consensus of the group was that AB 2258 (Evans) should move as is and no one from the group will stand in the way of its progress. Mr. Barkett expressed concern about the concept of extending the calendar window for a combined Fair meet running contrary to the Fair request to raise the Fair two week cap to four weeks.

Mr. Korby introduced the packet document listing racing issues that are currently being discussed as part of the racing industry's 2008 legislative agenda. Mr. Korby requested support on Items 5, 6 and 7 and support of the concepts on Items 2, 3 and 8.

Mr. Pickering moved to support the following changes in legislation to the Northern Zone: 1) Raise the cap on private association dates from 32 weeks up to 35 weeks; 2) Raise the 14-day cap on Fair dates to four weeks; and 3) Extend the calendar window for a combined Fair meeting to include June, making the window June 1 through October 31. Mr. Alkire seconded, unanimously approved.

Mr. Pickering moved to support the following concepts: 1) Lift the cap on imported races; 2) Support statewide, year-round additional take-out to be used exclusively for racing facility improvements; and 3) Revise the statute to specifically permit vanning and stabling fund

to be used for debt service on funding for race track and backstretch facility improvements. Mr. Alkire seconded, unanimously approved.

Agenda Item 7 – Executive Director's Report. Mr. Korby reported that recent events have required Vallejo to open two weeks early for stabling.

Mr. Korby noted that Mr. Jacobs made a request to send CARF Board Meeting notices to all CARF members so that they can participate if they so wish.

Mr. Barkett reported that matters regarding the Humboldt County Fair will be noticed as an item of discussion at a future meeting.

Mr. Korby asked that all requests requiring staff time be placed through the Executive Director to be appropriately delegated. Mr. Barkett notified the group that meeting and communication standards will be addressed in future meetings.

Respectfully submitted, Heather Haviland

CALIFORNIA AUTHORITY OF RACING FAIRS

Live Racing Committee Thursday, June 5, 2008

Minutes

A continuation of the June 3, 2008 meeting of the California Authority of Racing Fairs Live Racing Committee was held at 10:00 A.M., Thursday, June 5, 2008. The teleconference meeting was conducted at the CARF Offices located at 1776 Tribute Road, Suite 205, Sacramento, California 95815.

Live Racing Committee members joining by conference call: Chris Carpenter, Joe Barkett, Rick Pickering, Stuart Titus, Tawny Tesconi and Forrest White.

Staff and Guests attending: Larry Swartzlander, Heather Haviland and Margot Wilson. Joining by teleconference: Christopher Korby and Dave Elliott.

Agenda Item 5 - Discussion and Action, if any, on Racing Calendar for 2009 and beyond. Mr. Korby stated that the racing calendar for 2009 was the primary item for discussion, in particular, the mid-August dates. Mr. Barkett noted that on the calendar previously distributed for discussion, the dates were not backed up from Labor Day, as has been traditionally done. Mr. Korby responded by saying that the calendar reflects the recommendations that went in front of the larger group moving Alameda County Fair dates one week into June in a year where the calendar moves the other direction. Mr. Barkett proposed that the group discuss this further as that shift in dates does have some ramifications. Mr. White proposed two potential alternatives: the first being Santa Rosa runs two weeks traditional and an additional week after followed by Humboldt running a week by itself; the fallback position, if the first proposal is not acceptable to the TOC and others, would be running four weeks at Santa Rosa – two traditional weeks and two weeks after – Humboldt would be in overlap and the two weeks after would have some sort of shared basis of profits between Humboldt, San Mateo and Santa Rosa for running it. The idea is that racing as a Fair block stay at Fair facilities. The group then discussed potential fair racing dates. Ms. Tesconi stated that she already talked to her Fair Board and it has already been approved to run three continuous weeks; Ms. Tesconi did not discuss with them a fourth week, however, in the interest of making sure Fair racing stays at a Fair, she feels they would take on that fourth week, the only concern being their turf track. Mr. Barkett addressed this concern by stating that he thought it was important to place the priority on the first position and not the fallback position, in other words, not to go into the meeting with two plans and have them pick the one they want. Mr. Titus stated that he favors Mr. White's recommendation and received the impression at the last stakeholders meeting on the 13th that the longer the Humboldt proposal was discussed the more it seemed to resonate with the TOC and trainers but that he felt it was important that the Fairs present a united front and stand firm on the first option and not present the second option immediately thereafter if the TOC rejects the first proposal. Mr. Pickering expressed his concern that the group was placing the burden on Santa Rosa's Board whether or not Humboldt runs a week un-overlapped. Mr. White stated that all his proposal was trying to do was to keep the old calendar in place and accomplish two things: 1) Keep the block at the Fairs; and 2) Get as much turf racing as possible. The group also discussed a third possibility of running the fourth week at Cal Expo; however, one of the issues the horsemen will bring up with

the Cal Expo option is the turf racing, which would be taken care of at Santa Rosa. Ms. Tesconi responded by reiterating that her Board was on board for the three w eeks, the fourth week being a little harder - it would all depend on the financial benefit and if there was going to be help for the turf track since they were going to be running so many more races over it.

Mr. Barkett stated that since there appeared to be a consensus they were going into the meeting on Monday with a two-prong message: 1) That the Fairs are making a serious effort to go forward and combine all the Fair meets into one consolidated meet, which will take a few months; and 2) In the meantime, give Mr. White's first option proposal – three weeks for Santa Rosa and one week for Humboldt - which seems to be acceptable to everyone at this point. Mr. Pickering said "no" on the basis that he has had conversations with Del Mar, with the TOC and with the trainers and what they shared with him, although he would like to be more optimistic; also, he still believes that we're placing Santa Rosa in a difficult position with four weeks of turf racing. Mr. Pickering went on to say that he believes that we're going to have a law that says wherever we run is going to be a Fair block. Mr. Barkett agreed with Mr. Pickering but went on to say that he believes that although he expects resistance on the first proposal there may be a little weakening and softening of their position. Mr. Korby stated that he agreed with Mr. Pickering's observation that if, in fact, option "B" becomes a realistic option to discuss then people are going to look for a commitment from Santa Rosa. Mr. Korby went on to say that if Santa Rosa is willing to commit to it, we should support them as it will accelerate the whole concept – to get that whole block of dates to run at Fairs and undertake improvements that need to be done at various facilities. Mr. Barkett announced there was a consensus and that they will convene at Golden Gates Fields (June 9th) at 11:00 A.M.

Mr. Pickering announced that there was a recent email from Jackie Wagner of the CHRB requesting that all Fairs and racing associations come forward with a Nor Cal stabling plan by tomorrow, the 6th. Mr. Pickering requested that Mr. Korby reply on behalf of all CARF members that we have a meeting planned for Monday. Mr. Korby answered by saying he sent an email with a proposal to the Northern California Stabling Committee with copies to Mr. Pickering and Mr. Barkett; Mr. Korby indicated he was not going to send a copy of the proposal to the CHRB until after the committee meeting, by teleconference, at 3:00 this afternoon when he will have an answer for them then. Mr. Korby stated that his recommendation is that the Fund allocate money to open Vallejo on Monday, June 16th; the second part of the recommendation that Mr. Korby will be making regarding summer stabling is a slight revision to what's been done in the past for Fresno and that Fresno be funded to open on September 15th, which would bridge a short gap that still exists between Stockton's closing for stabling on September 17th and Fresno's opening on September 20th or 21st. Mr. Korby went on to say that the closing paragraph of his recommendation to the Stabling and Vanning Committee is that since Pleasanton is losing significant amounts of money in stabling costs, the committee needs to step up and deal with the realities here and now; Bay Meadows is having a diminishing number of horses and they are fully funded - we need action on this. Mr. Korby invited Mr. Pickering to join the conference call. Mr. White asked if there was any pressure to wrap up Bay Meadows any earlier than the end of December. Mr. Pickering answered by saying there is pressure to find a date. Mr. Korby reported he is having conversations with the TOC and CTT, one-on-one. behind the scenes, and his recommendation is September 12th; this would get the horsemen through the San Mateo Fair and then give them thirty days to get out - make the announcement now, ninety days ahead of time and that way there is no excuse that people don't know. Mr.

Korby went on to say that is was imprudent to be funding Bay Meadows, given the number of horses presently stabled there, maybe 250 horses. The group discussed stabling allocations for Pleasanton and the memo from Kirk Breed which stated that he was going to start an investigation into stabling at the Fairs due to allegations that mules were being turned away at Pleasanton. Mr. Korby stated that, according to records, there are now sixty emerging breeds stabled at Pleasanton so to allege that they all are being turned away is not accurate.

Mr. Swartzlander announced he will be undergoing open heart surgery, Wednesday, June 11th, at Memorial Hospital in Modesto.

At 10:45 A.M., with no further business before the committee, the meeting was adjourned.

Respectfully submitted, Margot Wilson

COMBINED FAIR HORSE RACING MEETING

Considerations for Initial Implementation

Background

CARF-member Racing Fairs have resolved to explore implementation of a combined Fair racing meeting, pursuant to Agriculture Code Section 4058 and B&P Code Sections 19549.1 ff. The considerations below developed from strategic planning meetings held by that group.

Objective

Pursuant to the authorization in Ag Code Section 4058, Northern California Racing Fairs will implement a combined Fair racing meeting commencing with the summer Fair racing circuit in 2009.

Proposed Implementation

- A combined Fair racing meeting will be conducted at multiple venues in the summer of 2009, based on the 2009 racing dates calendar approved by the California Horse Racing Board.
- Each Fair wishing to participate in the combined Fair racing meeting will do so voluntarily, independently and with the approval of its Board of Directors.
- Those Fairs participating will form a league to manage the combined meeting. Participating Fairs will maintain a charter representation in the league. In the event that racing dates moves from one Fair to another, participating Fairs will retain a "grandfathered" representation in the league.
- CARF will function as the entity authorized in Ag Code Section 4058, and apply for the license to conduct the meeting. (See Legislative Counsel opinion, attached.)
- Once the group has formally decided to pursue this approach, CARF will begin working with CHRB on the mechanics of implementation.
- CARF will manage the combined Fair racing meeting in a manner determined by a majority of those Fairs that elect to participate.
 CARF will manage the combined meeting as described in Ag Code Section 4058.
- The league may determine that some form of revenue-sharing is in the best interest of its members.

COMBINED FAIR HORSE RACING MEETING Benefits

- Strengthens Fairs' influence and control over a block of summer racing dates in Northern California.
- Allows Fairs to determine if, when and where Fair racing dates will be conducted during the summer block of dates. Allows flexibility and latitude as the racing landscape in California continues to evolve.
- "Insurance policy" to preserve a racing presence for Fairs that may be challenged during the 2009 license application process. Gives Fairs the flexibility to combine their traditional dates with other Fairs.
- Allows for a platform on which to begin revenue-sharing, should participating Fairs elect to pursue that concept.
- Strengthens negotiating leverage in negotiations with horsemen, in management of purses and in formulating summer stakes program.
- Strengthens consistent management of racing program. Allows employment of the most capable available racing personnel.
- Allows Fairs to negotiate more consistent labor agreements applicable to entire meeting.
- A meeting lasting longer than two weeks will allow significant carry-overs to develop in the Pick Six bet, a very popular wager.
- Strengthens Fair racing in a time of transition and uncertainty.

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OFFICE OF LEGISLATIVE CHESSES

State Capitol, Suite 3021 Sacramento, California 95814

verneuser (916) 341-4600 FACTING 1 (016) 341-8020

www.legislativecounsel.ca.pov TARRATA PHAIL.

administration@legislativecoursel.co.gov



January 9, 2006

Honorable Gloria Negrete McLeod Room 5016, State Capitol

HORSE RACING: LICENSES: JOINT POWERS ENTITIES - #0522003

Dear Ms. Negrete McLeod:

QUESTION

May an entity formed pursuant to a joint powers agreement for the purpose of conducting horse racing be issued a license to conduct horse racing and be eligible to receive racing dates?

OPINION

An entity formed pursuant to a joint powers agreement for the purpose of conducting horse racing may be issued a license to conduct horse racing and be eligible to receive racing dates.

ANALYSIS

The Horse Racing Law, contained in Chapter 4 (commencing with Section 19400) of Division 8 of the Business and Professions Code, regulates horse racing in this state. The California Horse Racing Board (hereafter the board) is vested with the jurisdiction and supervision over horse racing (Sec. 19420). The board is authorized to issue a license to any person to conduct horse racing in accordance with the Horse Racing Law, as long as that person complies with the Horse Racing Law and pays a fee, and the board determines that the issuance of the license will be in the public interest (Sec. 19480). Further, the board is responsible for allocating racing dates to qualified associations (para. (5), subd. (a), Sec. 19440).

Budley N. Webb

All section references are to the Business and Professions Code, unless otherwise specified.

Honorable Gloria Negrete McLeod — Request #0522003 — Page 2

Thus, the pertinent question is whether an entity formed pursuant to a joint powers agreement is considered a "person" for purposes of issuing a license for horse racing, and whether such an entity is a "qualified association" for purposes of receiving racing dates. In that regard, Section 19413 defines "person," for purposes of the Horse Racing Law, to include "any individual, partnership, corporation, limited liability company, or other association or organization." Section 19403 defines "association," for purposes of that law, as "any person engaged in the conduct of a recognized horse race meeting."

The Joint Exercise of Powers Act authorizes two or more public agencies to enter into a joint powers agreement in order to "jointly exercise any power common to the contracting parties" (Secs. 6500.1 and 6502, Gov. C.). Specifically, "two or more public agencies having the power to conduct agricultural, livestock, industrial, cultural, or other fairs or exhibitions shall be deemed to have a common power with respect to any such fair or exhibition conducted by ... an entity created pursuant to a joint powers agreement entered into by such public agencies." (Sec. 6502, Gov. C.). An entity formed pursuant to a joint powers agreement is a public entity separate from the parties to the agreement (Sec. 6507, Gov. C.).

Words in statutes should be construed according to the usual ordinary import of the words (IT Corp. v. Solano County Bd. of Supervisors (1991) 1 Cal.4th 81, 98). In our view, the ordinary construction of the word "association" or "organization" would include a situation where two or more agencies choose to associate or organize into a new entity by way of a contractual agreement. In the context of the Horse Racing Law, this would apply to an entity created for purposes of engaging in a horse racing meeting. Section 6502 of the Government Code grants no new powers to an entity created by a joint powers agreement, but merely sets up a procedure for the exercise of existing powers. As such, the statute cannot be said to enlarge the powers separately possessed by the individual member public agencies, but rather merely provides a procedure whereby this power may be exercised in cooperative action (The City of Oakland v. Williams (1940) 15 Cal.2d 542, 549). Thus, if the public agencies that enter into a joint powers agreement each individually are qualified to receive from the board racing dates and a license to conduct horse racing, the entity they form vis-à-vis the joint powers agreement will have the same authority. And, in our view, because such an entity would qualify as an organization or association, for purposes of the definition of "person" in the Horse Racing Law that entity would be eligible to receive racing dates and a license for horse racing.

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Honorable Gloria Negrete McLeod — Request #0522003 — Page 3

Therefore, it is our opinion that an entity formed pursuant to a joint powers agreement for the purpose of conducting horse racing may be issued a license to conduct horse racing and be eligible to receive racing dates.

Very truly yours,

Diane F. Boyer-Vine Legislative Counsel

Gwynnae L. Byrd

Deputy Legislative Counsel

GLB:cob



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

May 5, 2008

The Honorable Richard Shapiro, Chairman California Horse Racing Board 1010 Hurley Way, Suite 300 Sacramento, CA 95825

Dear Chairman Shapiro:

AB 765, introduced by Assembly Member Noreen Evans in the 2007 legislative session and signed by Governor Schwarzenegger, authorized Fairs to contribute 1% of the total amount handled daily in conventional and exotic pools into the Inclosure Facilities Improvement Fund, held at the California Department of Food and Agriculture. The purpose of the fund is to pool money from racing Fairs for the improvement of Fair racing facilities. The bill (now B&P Code 19601.4) requires that a Fair notify the California Horse Racing Board of its decision to utilize this program.

The Fairs listed on the attached page indicate their Fairs' participation in this program and will include this letter in their respective license applications.

Thank you for your consideration. Please contact me if you have any questions.

Respectfully submitted,

Christopher Korby Executive Director

Cc: Kirk Breed, California Horse Racing Board
Assembly Member Noreen Evans
Cynthia Bryant, Office of Governor Schwarzenegger
Michael Treacy, California Department of Food and Agriculture

FAIRS SIGNING LETTER TO CALIFORNIA HORSE RACING BOARD IN SUPPORT OF IMPLEMENTING AB 765 (EVANS)

X	
ALAMEDA COUNTY FAIR	
RICK PICKERING	
Y	
XFRESNO DISTRICT FAIR	
JOHN ALKIRE	
JOHN MERIKE	
x	
HUMBOLDT COUNTY FAIR	_
STUART TITUS	
X	Market Market States
SAN JOAQUIN FAIR	
FORREST WHITE	
X	
SAN MATEO COUNTY FAIR	
CHRIS CARPENTER	
X	
SOLANO COUNTY FAIR	
JOE BARKETT	
X	
SONOMA COUNTY FAIR	
TAWNY TESCONI	

PRESENTATION TO CALIFORNIA HORSE RACING BOARD IMPLEMENTATION OF AB 765

Due to the current economic climate facing the racing industry, particularly the increasing value of real estate under existing privately-owned tracks, we believe that the future of racing in California will increasingly move to publicly-owned facilities at Fairgrounds. In order for us to prepare for this future, Fairs need to invest significant resources to upgrade current facilities. Unfortunately, no one Fair can accomplish this task on its own. Implementation of AB 765 will allow those Fairs that choose to participate to increase the take out from horse racing by one percent. This money will be placed in a fund at the Department of Food and Agriculture and will be distributed for projects that will improve racing in California.

The announced closure of Bay Meadows at the end of 2008, accelerates the need to improve California's fair racetracks. Fair racing facilities are in need of maintenance and improvement to their facilities in order to provide a high quality product for its racing fans and participants.

Fairs which conduct racing in California have invested in the improvement of its facilities. However, time has proven that no one fair can adequately raise the money necessary to replace, build, or maintain the facilities needed for a state of the art race meet. Implementation of AB 765 will improve racing at California's fairs and improve California racing by upgrading fair tracks in California so that they can host prominent races and entertain today's horseracing enthusiasts.

AB 765, sponsored by Assembly Member Noreen Evans and signed by Governor Schwarzenegger in 2007, provides that a fair, combination of fairs, or an association conducting racing at a fair, may, with California Horse Racing Board (CHRB) approval, deduct an additional 1% from its handle to be used for maintenance and improvements at a fair's racetrack inclosure. Specifically, this bill, as chaptered in Business and Professions Code Section, 19601.4, provides that:

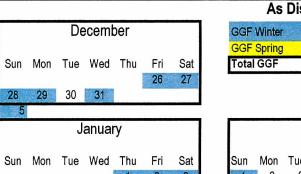
- The additional deduction on its conventional and exotic wagers shall be deposited in the Inclosure Facilities Improvement Account created for this purpose at the Department of Food and Agriculture.
- 2. Funds derived pursuant to this section shall be used solely for the purpose of facilities maintenance and improvements at a fair's racetrack inclosure.
- 3. The Secretary of the California Department Food and Agriculture (CDFA) shall appoint a committee of 3-to-5 individuals with expertise in financing, constructing, and managing horse racing facilities to advise in the administration of the funds. The Secretary shall have oversight over the committee.
- 4. The Secretary shall include in the annual expenditure plan any allocations made pursuant to B&P Section 19601.4.

According to its author, the purpose of AB 765 was to allow racing fairs in California, which choose to participate, to increase the takeout on live wagers by 1%. The revenue generated from this action will be held by CDFA and will be strategically distributed to fairs who conduct live racing in California for capital improvements.

We urge the Board to authorize its implementation.

2009 Northern California Race Dates DRAFT

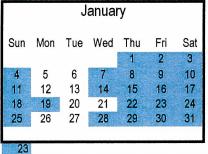
As Discussed at Dates Conference in Pleasanton May 13, 2008



84	Pleasanton @ GGF	18
58	Pleasanton @ GGF	15
142	Total Pleasanton @ GGF	33
	Simulcast Only	14

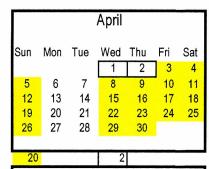
Pleasanton	11
Vallejo	10
Santa Rosa	12
GGF Summer Fairs Benefit	15

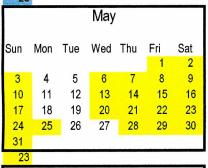
Ferndale Overlap	10
Cal Expo	11
Stockton	9
Fresno	11
Total Fairs	89



Sun	Mon	Tue	Wed	Thu	Fri	Sat
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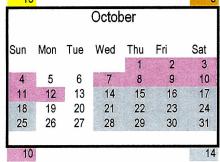


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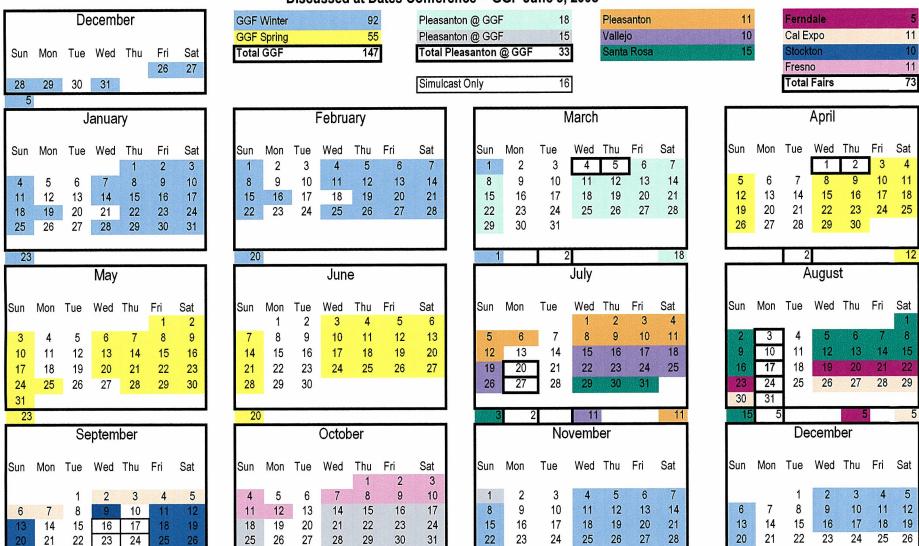


November								
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	December								
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2009 DRAFT-Specific Fairs Shown

Discussed at Dates Conference -- GGF June 9, 2008



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SAN JOAQUIN FAIR

TOTAL RACE DAYS 10 10 10 10 10 10 10 10 9 TOTAL HANDLE TOTAL	YEAR	2003	2004	2005	2006	. 2007
-TOTAL HANDLE 1,014,231 17,24,393 2,181,189 1,898,840 2,315,036 ON-TRACK 2,297,774 2,149,393 2,181,189 1,898,840 2,315,036 OFF-TRACK 9,311,621 9,074,078 9,122,115 6,225,410 14,569,835 6,842,548 2,0UT-OF-STATE 3,741,643 4,051,463 4,805,207 4,159,595 6,842,548 2,0UT-OF-STATE 1,0890,203 11,295,946 13,319,292 10,859,907 15,855,476 2,0UT-OF-ZONE IMPORTED 2,949,164 2,968,321 2,599,965 2,523,949 4,671,800 1NTERSTATE IMPORTED 3,174,864 2,968,321 2,599,965 2,523,949 4,671,800 0 760,032 848,298 1,979,114	TOTAL RACE DAYS	10	. 10	10	.10	. 9
ON-TRACK OFF-TRACK OFF-TRACK OFF-TRACK OFF-TRACK OFF-TRACK OFF-TRACK ON-TRACK OFF-TRACK ON-TRACK ON-TRACK OFF-TRACK ON-TRACK ON-TO-F-ZONE IMPORTED ON-TRACK	JOTAL HANDLE	17.014.231	17,272,082	19,454,424	16,852,770	28,924,627 —
OFF-TRACK OUT-OF-STATE 3,741,643 AUD1,463 AUD1,464 AUD1,463 AUD1,464 AUD1,463 AUD1,464 AUD1,4				2,181,189	1,698,840	2,315,036
OUT-OF-STATE 3,741,643 4,051,463 4,805,207 4,159,595 6,842,548 OUT-OF-STATE 1,683,193 1,997,147 3,345,914 2,788,924 4,297,091 LIVE 10,890,203 11,295,946 13,319,292 10,859,907 15,855,476 OUT-OF-ZONE IMPORTED 2,949,164 2,968,321 2,599,965 2,523,949 4,671,800 INTERSTATE IMPORTED 3,174,864 3,007,815 2,775,135 2,620,616 5,618,238 INTERNATIONAL IMPORTED 0 0 760,032 848,298 1;979,114 AVERAGE DAILY HANDLE 1,701,423 1,727,208 1,945,442 1,685,277 3,113,847 AVERAGE ON-TRACK 229,777 214,939 218,119 169,884 257,226 AVERAGE OFF-TRACK 931,162 907,408 912,211 822,541 1,618,873 AVERAGE OUT-OF-STATE 374,164 405,146 480,521 415,960 760,294 AVERAGE OUT-OF-STATE 374,164 405,146 480,521 415,960 760,294 AVERAGE OUT-OF-ZONE IMPORTED 166,319 199,715 334,591 276,892 477,455 AVERAGE OUT-OF-ZONE IMPORTED 294,915 296,832 259,997 252,395 519,099 AVERAGE OUT-OF-ZONE IMPORTED 317,486 300,782 277,513 262,062 613,138 AVERAGE INTERNATIONAL IMPORTED 0 0 76,003 84,830 219,902 TOTAL TAKEOUT 3,078,325 3,504,348 3,953,700 3,422,004 5,634,575 STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,784 ADVENAGE FEES 181,230 176,811 178,840 151,748 236,784 TOTAL TAKEOUT 18,09% 20,29% 20,32% 20,31% 20,11% STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,784 ADVENAGE FEES 181,230 176,811 178,840 151,748 236,784 ADVENAGE FEES 181,230 176,811 178,840 151,748 236,784 TAKCK COMMISSIONS 569,801 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,176 155,511 146,675 210,810 ADV COMMISSIONS 75,152 90,176 155,7188 148,208 212,366 HORSEMEN'S PURSES 75,886 91,215 157,188 148,208 212,366 FOTAL PURSES 651,991 655,302 759,826 652,269 997,535 - TOTAL	•				8,225,410	14,569,853
ADW 1,663,193 1,997,147 3,345,914 2,768,924 4,297,091 LIVE 10,890,203 11,295,946 13,319,292 10,859,907 15,855,476 OUT-OF-ZONE IMPORTED 2,949,164 2,968,321 2,599,965 2,523,949 4,671,800 INTERSTATE IMPORTED 3,174,864 3,007,815 2,775,135 2,620,616 5,518,238 INTERNATIONAL IMPORTED 0 0 760,032 848,298 1,979,114 AVERAGE DAILY HANDLE 1,701,423 1,727,208 1,945,442 1,685,277 3,113,847 AVERAGE ON-TRACK 229,777 214,939 218,119 169,884 257,226 AVERAGE OFF-TRACK 931,162 907,408 912,211 822,541 1,618,873 AVERAGE OUT-OF-STATE 374,164 405,146 480,521 415,960 760,294 AVERAGE ADW HANDLE 166,319 199,716 334,591 276,892 477,455 AVERAGE LIVE 1,089,020 1,129,595 1,331,929 1,085,991 1,761,720 AVERAGE INTERSTATE IMPORTED 294,916 296,832 259,997 252,395 519,089 AVERAGE INTERSTATE IMPORTED 317,486 300,782 277,613 262,062 613,138 AVERAGE INTERSTATE IMPORTED 0 0 76,003 84,830 219,902 TOTAL TAKEOUT 3,078,325 3,504,348 3,953,700 3,422,004 5,634,575 CHARLES THE STATE IMPORTED 181,230 176,811 178,840 151,748 205,764 STATE IMPORTED 181,230 176,811 176,811 176,840 151,748 205,764 STATE IMPORTED 181,230 176,811 176,811 176,840 1		•	·	The state of the s	4,159,595	6,842,648
LIVE 10,890,203 11,295,946 13,319,292 10,859,907 15,855,476				• -	2,768,924	4,297,091
OUT-OF-ZONE IMPORTED OUT-OF-ZONE OUT-OF-ZONE OUT-OF-ZONE OUT-OF-ZONE OUT-OF-ZONE OUT-OF-ZONE		· · ·			10,859,907	15,855,476
INTERSTATE IMPORTED 3,174,884 3,007,815 2,775,135 2,620,616 5,518,238 INTERNATIONAL IMPORTED 0 0 1,760,032 3848,298 1,979,114 AVERAGE DAILY HANDLE 1,701,423 1,727,208 1,945,442 1,685,277 3,113,847 AVERAGE ON-TRACK 229,777 214,939 218,119 169,884 257,226 AVERAGE OUT-OF-STATE 374,164 405,146 405,146 480,521 415,960 760,294 AVERAGE OUT-OF-STATE 1764,164 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,146 405,211 415,960 760,294 AVERAGE OUT-OF-STATE 1,089,020 1,129,595 1,331,929 1,085,991 1,761,720 AVERAGE OUT-OF-ZONE IMPORTED 294,916 296,832 259,997 252,395 519,099 AVERAGE OUT-OF-ZONE IMPORTED 317,486 300,782 277,513 262,062 613,138 AVERAGE INTERSTATE IMPORTED 0 0 76,003 84,330 219,902 TOTAL TAKEOUT 18,09% 20,29% 20,32% 20,31% 20,11% STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,784 TROCK COMMISSIONS 75,152 90,178 1,02% 0,92% 0,99% 0,99% 0,84% ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 40,908 40,705 40,			· ·		2,523,949	4,671,800
INTERNATIONAL IMPORTED O O O T60,032 848,298 1;979,114 AVERAGE DAILY HANDLE 1,701,423 AVERAGE ON-TRACK AVERAGE ON-TRACK AVERAGE OTF-TRACK 931,162 907,408 912,211 822,541 1,618,873 AVERAGE OUT-OF-STATE AVERAGE OUT-OF-STATE AVERAGE ADW HANDLE 1 (68,319 AVERAGE ADW HANDLE 1 (68,319 AVERAGE OUT-OF-ZONE IMPORTED 294,916 AVERAGE OUT-OF-ZONE IMPORTED 317,486 300,782 AVERAGE INTERSTATE IMPORTED 317,486 300,782 TOTAL TAKEOUT STATE LICENSE FEES 181,230 T16,811 T178,840 TRACK COMMISSIONS 75,152 90,178 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,027 108,028 108,029 108,028 109,028 109,028 109,028 109,028 109,038 109,040 108,040			· · ·		2,620,616	5,518,238
AVERAGE DAILY HANDLE AVERAGE ON-TRACK 229,777 214,939 218,119 169,884 257,226 AVERAGE OFF-TRACK 31,162 374,164 405,146 480,521 415,960 760,294 AVERAGE ADW HANDLE 166,319 199,715 334,591 276,892 477,455 AVERAGE LIVE AVERAGE LIVE AVERAGE LIVE AVERAGE OUT-OF-ZONE IMPORTED 294,916 294,916 294,916 294,916 294,916 294,916 296,832 277,513 262,062 613,138 AVERAGE INTERSTATE IMPORTED 317,486 300,782 277,513 262,062 613,138 AVERAGE INTERNATIONAL IMPORTED 0 0 76,003 84,830 219,902 TOTAL TAKEOUT 18,09% 20,29% 20,32% 20,31% 20,11% STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,459 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 AVERACK GOMMISSIONS 644,753 652,621 762,024 610,546 996,250 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 TRACK % 3,35% 3,26% 3,12% 2,75% 2,80% ADW PURSES 75,886 91,215 157,188 148,208 212,366 552,269 997,635 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7,99% 2,80%	•		0		848,298	1;979,114
AVERAGE DALLY HANDLE AVERAGE ON-TRACK AVERAGE OFF-TRACK AVERAGE OFF-TRACK AVERAGE OFF-TRACK AVERAGE OFF-TRACK AVERAGE OUT-OF-STATE AVERAGE OUT-OF-STATE AVERAGE ADW HANDLE AVERAGE ADW HANDLE AVERAGE ADW HANDLE AVERAGE LIVE AVERAGE LIVE AVERAGE OUT-OF-ZONE IMPORTED AVERAGE OUT-OF-ZONE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERNATIONAL IMPORTED TOTAL TAKEOUT BFECTIVE TAKEOUT BFECTIVE TAKEOUT STATE LICENSE FEES B1,230 T76,811 T78,840 T78,840 TRACK COMMISSIONS ADW COMMISSIONS B64,753 B65,621 T62,024 B61,638 B1,236 B1,236 B1,236 B1,236 B1,236 B1,236 B1,237 B1,238 B1,238 B1,239 B1,236 B1,237 B1,237 B1,237 B1,237 B1,238 B1,236 B1,237	MIERRATIONALIMPORTED	. •			٠.	
AVERAGE ON-TRACK AVERAGE OFF-TRACK AVERAGE OFF-TRACK AVERAGE OUT-OF-STATE AVERAGE OUT-OF-STATE AVERAGE ADW HANDLE AVERAGE LIVE AVERAGE OUT-OF-ZONE IMPORTED AVERAGE INTERNATIONAL IMPORTED TOTAL TAKEOUT STATE LICENSE FEES TATE LICENSE FEES TRACK COMMISSIONS ADW COMMISSIONS TRACK COMMIS	AVERAGE DAILY HANDLE	1 701 423	1.727.208	1,945,442	1,685,277	3,113,847
AVERAGE OFF-TRACK AVERAGE OUT-OF-STATE AVERAGE ADW HANDLE AVERAGE ADW HANDLE AVERAGE LIVE AVERAGE LIVE AVERAGE OUT-OF-ZONE MPORTED AVERAGE INTERNATIONAL IMPORTED TOTAL TAKEOUT STATE LICENSE FEES TATE LICENSE FEES TATE LICENSE FEES TOTAL COMMISSIONS ADW COMMISSIONS TRACK HORSEMEN'S PURSES ADW PURSES TOTAL PURSES 1,618,873 405,148 405,148 405,146 405			•		169,884	257,226
AVERAGE OUT-OF-STATE 374,164 405,146 480,521 415,960 760,294 AVERAGE ADW HANDLE 166,319 199,715 334,591 276,892 477,455 AVERAGE LIVE 1,089,020 1,129,595 1,331,929 1,085,991 1,761,720 AVERAGE OUT-OF-ZONE IMPORTED 294,916 296,832 259,997 252,395 519,089 AVERAGE INTERSTATE IMPORTED 317,486 300,782 277,513 262,062 613,138 AVERAGE INTERNATIONAL IMPORTED 0 0 76,003 84,830 219,902 TOTAL TAKEOUT 3,078,325 3,504,348 3,953,700 3,422,004 5,634,575 EFFECTIVE TAKEOUT 18,09% 20,29% 20,32% 20,31% 20,11% STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE W 1,07% 1,02% 0,92% 0,90% 0,84% TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,611 146,575 210,810 FOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 FOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 FOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 FOTAL COMMISSIONS 75,886 91,215 157,188 148,208 212,366 ADW PURSES 75,886 91,215 157,188 148,208 212,366 FOTAL PURSES 651,901 659,302 769,826 652,669 997,635 —				912,211	822,541	1,618,873
AVERAGE ADW HANDLE AVERAGE LIVE AVERAGE LIVE AVERAGE LIVE AVERAGE OUT-OF-ZONE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERNATIONAL IMPORTED O O TOTAL TAKEOUT EFFECTIVE TAKEOUT STATE LICENSE FEES 181,230 TOTAL STATE LICENSE FEES TOTAL COMMISSIONS ADW COMMISSIONS TOTAL COMMISSIONS TOTAL COMMISSIONS TOTAL COMMISSIONS TOTAL COMMISSIONS TOTAL COMMISSIONS TRACK W HORSEMEN'S PURSES ADW PURSES TOTAL PURSES TASS 1,089,020 1,129,595 1,331,929 1,085,991 1,761,720 205,395 1,331,929 1,085,991 1,761,720 205,395 1,331,929 1,085,991 1,761,720 205,395 1,331,929 1,085,991 1,761,713 262,062 613,138 29,902 20,908 20,909 20,9	•			480,521	415,960	760,294
AVERAGE LIVE AVERAGE OUT-OF-ZONE IMPORTED AVERAGE OUT-OF-ZONE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERSTATE IMPORTED AVERAGE INTERNATIONAL IMPORTED O O TOTAL TAKEOUT EFFECTIVE TAKEOUT STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE W TRACK COMMISSIONS ADW COMMISSIONS ADW COMMISSIONS TOTAL COMMISSIONS TOTAL COMMISSIONS TOTAL COMMISSIONS TRACK HORSEMEN'S PURSES ADW PURSES TOTAL PURSES 10,076 10,029 1	•	•		334,591	276,892	477,455
AVERAGE OUT-OF-ZONE IMPORTED 294,916 296,832 259,997 252,395 519,089 AVERAGE INTERSTATE IMPORTED 317,486 300,782 277,513 262,062 613,138 AVERAGE INTERNATIONAL IMPORTED 0 0 76,003 84,830 219,902 TOTAL TAKEOUT 3,078,325 3,504,348 3,953,700 3,422,004 5,634,575 EFFECTIVE TAKEOUT 18,09% 20,29% 20,32% 20,31% 20,11% STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 5 STATE % 1,07% 1,02% 0,92% 0,90% 0,84% TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 ADW COMMISSIONS 644,753 652,621 762,024 610,546 996,250 7 TRACK % 3,35% 3,26% 3,12% 2,75% 2,80% HORSEMEN'S PURSES 75,886 91,215 157,188 148,208 212,366 ADW PURSES 651,901 659,302 769,826 652,269 997,635 7 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7 2,80%	• • • • • • • • • • • • • • • • • • • •	•		1,331,929	1,085,991	1,761,720
AVERAGE INTERSTATE IMPORTED O O O O O O O O O O O O O	the state of the s			259,997	252,395	519,089
AVERAGE INTERNATIONAL IMPORTED 0 0 76,003 84,830 219,902 TOTAL TAKEOUT 3,078,325 3,504,348 3,953,700 3,422,004 5,634,575 EFFECTIVE TAKEOUT 18,09% 20,29% 20,32% 20,31% 20,11% STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 5 STATE % 1,07% 1,02% 0,92% 0,90% 0,84% TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 7 TRACK % 3,35% 3,26% 3,12% 2,75% 2,80% HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7		• •	•		262,062	613,138
TOTAL TAKEOUT EFFECTIVE TAKEOUT STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE W TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 TOTAL COMMISSIONS 13,35% 3,26% 3,12% 2,75% 2,80% HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 707AL PURSES 651,901 659,302 769,826 652,269 997,635 72,80%		•			84,830	219,902
EFFECTIVE TAKEOUT STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE W 1,07% 1,02% 0,92% 0,90% 0,84% TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 TRACK W 3,35% 3,26% 3,12% 2,75% 2,80% HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 707AL PURSES 651,901 659,302 769,826 652,269 997,635 789% 2,80%	TOTAL TAKEOUT	3 078 325	3.504.348	3,953,700	3,422,004	5,634,575
STATE LICENSE FEES 181,230 176,811 178,840 151,748 236,764 STATE W 1.07% 1.02% 0.92% 0.90% 0.84% TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810			•	20.32%	20,31%	
STATE LIGHT 1.07% 1.02% 0.92% 0.90% 0.84% STATE % 1.07% 1.02% 0.92% 0.90% 0.84% TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 TRACK % 3.35% 3.26% 3.12% 2.75% 2.80% HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635				178,840	151,748	236,764
TRACK COMMISSIONS 569,601 562,443 606,513 463,971 785,439 ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 TRACK % 3.35% 3.26% 3.12% 2.75% 2.80% HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635		·		0.92%	0.90%	0.84%
ADW COMMISSIONS 75,152 90,178 155,511 146,575 210,810 TOTAL COMMISSIONS 644,753 652,621 762,024 610,546 996,250 TRACK % 3.35% 3.26% 3.12% 2.75% 2.80% HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 700 2.80%			562,443	606,513	463,971	
ADW COMMISSIONS TOTAL COMMISSIONS TRACK % HORSEMEN'S PURSES ADW PURSES TOTAL PURSES 644,753 652,621 652,621 762,024 610,546 996,250 2.80% 3.12% 2.75% 2.80% 612,638 504,061 785,269 91,215 157,188 148,208 212,366 659,302 769,826 652,269 997,635 2.80%				155,511	146,575	210,810
TRACK % 3.35% 3.26% 3.12% 2.75% 2.80% 1.75% 1.75% 2.80% 1.75				762,024	610,546	· 996,250 —
HORSEMEN'S PURSES 576,015 568,087 612,638 504,061 785,269 ADW PURSES 75,886 91,215 157,188 148,208 212,366 TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 7 TOTAL PURSES 651,901 859,302 315% 2,80%				3.12%	. 2.75%	2.80%
ADW PURSES 75,886 91,215 157,188 148,208 212,366 - TOTAL PURSES 651,901 659,302 769,826 652,269 997,635 -				612,638	504,061	
ADVY PURSES 651,901 659,302 769,826 652,269 997,635 — — TOTAL PURSES 651,901 659,302 3,15% 3,99% 2,80%					148,208	212,366
2 TOYAL PORSES 2 90% 2.80%	•	•			652,269	997 635 —
				•	2.99%	2.80%

SAN JOAQUIN FAIR

YEAR .	2003	2004	2005	2006	2007
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CAHFORNIA ATTENDANCE	86,393	83,229	82,036	72,144	77,340
ON-TRACK	45,079	45,145	45,338	39,466	40,570
OFF-TRACK	41,314	38,084	36,698	32,678	36,770
· AVERAGE DAILY ATTENDANCE	8,639	8,323	8,204	.7,214	8,593
AVERAGE DAILY ON - TRACK	4,508	.4,515	4,534	3,947	.4,508
AVERAGE DAILY OFF - TRACK	4,131	3,808	3,670	3,268	4,086
TOTAL RACE EVENTS	104	104	102	92	94
STARTS	846	797	755	632	· 714
AVERAGE STARTS PER EVENT	8.1	7.7	7.4	6.9	7.6
AVERAGE HANDLE PER START	12,873	14,173	17,641	17,183	22,207

ALAMEDA COUNTY FAIR

YEAR	2003	2004	2005	2006	2007
TOTAL RACE DAYS	11	11	11 .	٠ ١٦ .	11
- TOTAL HANDLE	34,419,955	35,782,995	38,317,137	35,624,198	39,039,011
ON-TRACK	6,134,946	6,298,354	6,905,586	5,576,048	- 6,185,717
OFF-TRACK	17,519,030	16,964,061	17,612,934	15,929,441	17,077,166
OUT-OF-STATE	8,474,107	9,513,928	9,416,580	9,879,553	10,266,872
ADW	2,291,873	3,006,652	4,382,038	4,239,157	5,509,256
LIVE	20,045,504	21,870,024	22,937,877	21,961,445	23,606,252
OUT-OF-ZONE IMPORTED	7,293,359	6,632,560	7,179,085	. 5,962,929	7,234,067
INTERSTATE IMPORTED	7,081,093	7,280,411	6,497,195	6,051,342	6,106,627
INTERNATIONAL IMPORTED	0	0	1,702,980	1,648,482	2,092,066
AVERAGE DAILY HANDLE	3,129,087	3,253,000	3,483,376	3,238,563	3,549,001
AVERAGE ON-TRACK	557,722	572,578	627,781	506,913	· 562,338
AVERAGE OFF-TRACK	1,592,639	1,542,187	1,601,176	1,448,131 ·	1,552,470
AVERAGE OUT-OF-STATE	770,373	864,903	856,053	898,141	933,352
AVERAGE ADW	208,352	273,332	398,367	. 385,378	500,841
AVERAGE LIVE	1,822,319	1,988,184	2,240,078	2,146,357	2,336,211
AVERAGE OUT-OF-ZONE IMPORTE	663,033	602,960	652,644	542,084	657,642
AVERAGE INTERSTATE IMPORTED	643,736	661,856	590,654	550,122	555,148
AVERAGE INTERNATIONAL IMPORT	0	. 0	154,816	149,862	190,188
TOTAL TAKEOUT	6,884,133	7,253,774	7,756,827	7,232,063	7,898,559
TOTAL TAKEOUT	20.00%	20.27%	20.24%	20.30%	20.23%
FFECTIVE TAKEOUT STATE LICENSE FEES	352,091	353,000	360,827	321,459	342,417
	1.02%	0,99%	. 0.94%	0.90%	0.88% .
STATE %	1,166,137	1,205,405	1,299,429	1,112,241	1,184,682
TRACK COMMISSIONS	103,886	134,984	199,872	216,559	265,183
ADW COMMISSIONS	1,270,023	1,340,389	1,499,301	1,328,800	1,449;865
TOTAL COMMISSIONS	3,69%	. 3.75%	.3.91%	3.73%	3.71%
TRACK %	1,180,660	1,221,859	1,317,666	1,125,047	1,197,423
HORSEMEN'S PURSES	• •	136,637	202,789	219,771	268,494
ADW PURSES	105,325	1,358,496	1,520,455	. 1,344,818	1,465,916-
TOTAL PURSES	1,285,985 3,74%	1,338,490	3.97%	3.78%	3.76%
HORSEMEN'S %	3.7470	3.00 //	0.01 10		•

Page 14-10

ALAMEDA COUNTY FAIR

YEAR	2003	2004	2005	2006	. 2007
CAIIFORNIA ATTENDANCE ON-TRACK OFF-TRACK DAILY ATTENDANCE AVERAGE DAILY ON - TRACK AVERAGE DAILY OFF - TRACK	83,850	97,447	103,892	91,802	91,952
	33,926	48,112	57,262	48,343	48,870
	49,924	49,335	46,630	43,459	43,082
	7,623	8,859	9,445	8,346	8,359
	3,084	4,374	5,206	4,395	4,443
	4,539	4,485	4,239	3,951	3,917
TOTAL RACE EVENTS	120	120	120	120	121
STARTS	927	916	896	848	868
AVERAGE STARTS PER EVENT	7.7	7.6	7.5	7.1	7.2
AVERAGE HANDLE PER START	21,624	23,876	25,600	25,898	27,196

WINE COUNTRY RACING

YEAR	2006	2007
TOTAL RACE DAYS	23	23
— TOTAL HANDLE	70,954,806	71,881,693 -
ON-TRACK	7,787,240	7,326,924
OFF-TRACK	33,332,553	32,393,559
OUT-OF-STATE	21,610,102	22,663,989
ADW	8,224,911	9,497,221
LIVE	44,570;693	45,754,634
OUT-OF-ZONE	12,770,539	11,994,791
INTERSTATE IMPORTED	10,615,982	10,308,697
INTERNATIONAL IMPORTED	2,997,592	3,823,571
AVERAGE DAILY HANDLE	3,084,992	3,125,291
AVERAGE DAILY ON-TRACK	338,576	318,562
AVERAGE DAILY OFF-TRACK	1,449,241	1,408,416
AVERAGE DAILY OUT-OF-STATE	939,570	985,391
AVERAGE DAILY ADW	357,605	412,923
AVERAGE DAILY LIVE	1,937,856	1,989,332
AVG. DAILY OUT-OF-ZONE IMPORTED	555,241	521,513
AVG, DAILY INTERSTATE IMPORTED	461,564	448,204
AVG. INTERNATIONAL IMPORTED	130,330	166,242
TOTAL TAKEOUT	14,467,212	14,736,126
EFFECTIVE TAKEOUT	20.39%	20.50%
STATE LICENSE FEES	619.212	601,002
STATE %	0.87%	0.84%
TRACK COMMISSIONS	2,146,406	2,081,614-
ADW COMMISSIONS	385,055	444,410
- TOTAL COMMISSIONS	2,531,461	2,526,024 —
TRACK %	3.57%	· 3.51%
HORSEMEN'S PURSES	2,159,252	2,093,241
ADW PURSES	387,967	448,597
-TOTAL PURSES	2,547,219	2,541,838
HORSEMEN'S %	3.59%	3.54%

WINE COUNTRY RACING

YEAR	2006	2007
	•	•
CAHFORNIA ATTENDANCE ON-TRACK	160,227 77,660 82,567	144,807 70,613 74,194
OFF-TRACK DAILY ATTENDANCE AVERAGE DAILY ON - TRACK AVERAGE DAILY OFF - TRACK	6,966 3,377 3,590	6,296 3,070 3,226
TOTAL RACE EVENTS TOTAL RUNNERS AVERAGE RUNNERS PER EVENT AVERAGE HANDLE PER START	257 1,872 7.3 23,809	243 1,861 7.7 24,586

DEL MAR THOROUGHBRED CLUB

YEAR	2003	2004	2005	` 2006	2007
TOTAL RACE DAYS	43	43 .	43	43	43
TOTAL HANDLE	510,968,915	521,113,7 4 5	546,971,289	511,215,853	555,050,004
ON-TRACK	102,961,640	102,242,996	108,907,840	100,685,048	104,800,660
OFF-TRACK	163,303,386	156,275,504	153,435,395	142,506,515	142,018,812
OUT-OF-STATE	206,549,861	213,128,960	219,543,395	205,406,734	234,599,938
ADW	38,154,028	49,466,286	65,084,660	62,617,556	73,630,594
LIVE	425,274,411	439,615,212	464,253,682	431,523,299	476,608,230
OUT-OF-ZONE IMPORTED	37,152,703	34,190,989	31,488,617	30,933,530	. 27,639,697
INTERSTATE IMPORTED	48,223,773	47,307,544	43,587,871	41,153,304	41,840,125
INTERNATIONAL IMPORTED	318,027	• 0	7,641,119	7,605,719	8,961,953
AVERAGE DAILY HANDLE	11,882,998	12,118,924	12,720,263	11,888,741	12,908,140
AVERAGE ON-TRACK	2,394,457	2,377,744	2,532,740	2,341,513	2,437,225
AVERAGE OFF-TRACK	3,797,753	3,634,314	3,568,265	3,314,105	3,302,763
AVERAGE OUT-OF-STATE	4,803,485	4,956,487	5,105,660	4,776,901	5,455,813
AVERAGE ADW	887,303	1,150,379	1,513,597	1,456,222	1,712,339
AVERAGE LIVE	9,897,499	10,223,610	10,974,298	10,212,303	11,292,330
AVERAGE OUT-OF-ZONE IMPORTED	864,016	795,139	732,293	719,384	642,784
AVERAGE INTERSTATE IMPORTED	1,121,483	1,100,175	1,013,671	957,054	973,026
AVERAGE INTERNATIONAL IMPORTED	7,396	0	177,700	. 176,877	208,418
TOTAL TAKEOUT	96,899,391	102,211,988	107,017,562	100,196,471	108,963,493
EFFECTIVE TAKEOUT .	18.96%	19.61%	19.57%	19.60%	19.63%
STATE LICENSE FEES	6,284,789	6,230,514	6,170,609	5,736,023	5,876,286
STATE %	1.23%	1.20%	1.13% ·	1.12%	1.06%
TRACK COMMISSIONS	19,395,550	19,483,346	19,919,590	17,291,141	19,270,659
ADW COMMISSIONS	1,639,819	2,118,562	2,787,835	2,822,669	3,053,837
TOTAL COMMISSIONS	21,035,369	21,601,908	22,707,426	20,113,810	22,324,496
TRACK %	4.12%	4.15%	4.15%	3.93%	4.02%
HORSEMEN'S PURSES	19,099,761	19,219,732	19,648,143	18,221,899	18,939,768
ADW PURSES	1,609,388	2,083,484	2,745,893	2,780,261	3,008,650
TOTAL PURSES	20,709,150	21,303,216	22,394,036	21,002,160	21,948,417
HORSEMEN'S %	4.05%	4.09%	4.09%	4.11%	3.95%

						•	
4-1	CAIIFURNIA ATTENDANCE	1,268,228	1,234,763	1,185,297	1,118,896	1,120,764	•
Ξ	ON-TRACK	725,922	733,237	731,287	700,192	718,511	
Page	OFF-TRACK	542,306	499,526	454,010	418,704	402,253	
<u>ت</u>	DAILY ATTENDANCE	29,494	28,669	27,565	26,021	26,064	
	AVERAGE DAILY ON - TRACK	16,882	17,052	17,007	16,284	16,710	
	AVERAGE DAILY OFF - TRACK	12,612	11,617	10.558	9,737	9,355	
	TOTAL RACE EVENTS	372	371	372	371	371	
	TOTAL RUNNERS	3,048	3,064	3,128	3,139	3,213	
	AVERAGE RUNNERS PER EVENT	8.2	8.3	8.4	8.5	8.7	•
	AVERAGE HANDLE PER RUNNER	139,526	143,478	148,419	137,472	148,337	

HUMBOLDT COUNTY FAIR

· 🗻 ·		• • •				
, O ∴ YEAR	·	2003	2004	2005	2006	2007
Page TOT	AL RACE DAYS	10	10	10	10	10
	AL HANDLE	2,369,492	2,787,149	3,080,934	2,959,549	3,535,699 -
	RACK	731,046	699,081	775,170	. 727,308	785,505
•	TRACK	1,163,479	1,264,637	1,200,644	1,015,848	1,062,530
· ·	OF-STATE	65,262	91,763	182,915	286,480	370,914
ADW.	•	409,705	731,669	922,205	929,913	1,316,750
LIVE		2,369,492	2,787,149	3,080,934	2,959,549	3,535,699
	OF-ZONE IMPORTED	2,009,492	2,707,770	0	0	0
	RSTATE IMPORTED	0	o o	0	0 .	0
	RNATIONAL IMPORTED	õ	Ō	0	0	0
A1 4E5	RAGE DAILY HANDLE	236,949	278,715	308,093	- 295,955	353,570
	RAGE DAILY ON-TRACK	73,105	69,908	77,517	72,731	78,551
		116,348	126,464	120,064	101,585	106,253
	RAGE DAILY OFF-TRACK	6,528	9,176	18,292	28,648	37,091
	RAGE DAILY OUT-OF-STATE RAGE ADW	40,971	73,167	92,220	92,991	131,675
	RAGE ADW	236,949	278,715	308,093	295,955	353,570
	OUT-OF-ZONE IMPORTED	230,848	2,0,7,10	0	0	. 0
	INTERSTATE IMPORTED	0	ņ	0	0	0
	INTERNATIONAL IMPORTED	Ŏ	. 0	0	0	0 .
TOTA	AL TAKEOUT	479,314	566.834	626,069	599,750	705,465
	ECTIVE TAKEOUT	20.23%	20.34%	20.32%	20,26%	19.95%
	TE LICENSE FEES	26,769	28,050	28,682	25,764	27,840
STAT		1.13%	1.01%	0.93%	0.87%	0.79%
	CK COMMISSIONS	115,380	118,212	122,852	112,792	119,063
	COMMISSIONS	20,179	34,561	43,675	48,837	62,997
	AL COMMISSIONS	135,559	152,773	166,527	161,629	. 182,061 —
	CK %	5,72%	5.48%	5.41%	5.46%	5.15%
	SEMEN'S PURSES	119,605	122,188	127,540	117,310	124,006
	PURSES	21,083	35,780	45,104	50,668	65,505
	AL PURSES	140,688	157,968	172,644	167,977	189,512 —
•	SEMEN'S %	5:94%	5.67%	5,60%	5.68%	5.36%

HUMBOLDT COUNTY FAIR

YEAR	2003 .	2004	2005	2006	2007
CAIIFORNIA ATTENDANCE ON-TRACK OFF-TRACK DAILY ATTENDANCE AVERAGE DAILY ON - TRACK AVERAGE DAILY OFF - TRACK	58,433	52,587	53,112	50,829	50,643
	22,442	21,759	22,811	21,975	22,964
	35,991	30,828	30,301	28,854	27,679
	5,843	5,259	5,311	5,083	5,064
	2,244	2,176	2,281	2,198	2,296
	3,599	3,083	3,030	2,885	2,768
TOTAL RACE EVENTS	71	73	75	77	75
TOTAL RUNNERS	416	421	483	484	506
AVERAGE RUNNERS PER EVENT	5.9	5.8	6.4	6.3	6.7
AVERAGE HANDLE PER START	5,696	6,620	6,379	6,115	6,988

SAN MATEO COUNTY FAIR

9			•			
,	YEAR	2003	2004	2005	2006	2007
Page	TOTAL RACE DAYS	12	12	12	. 12	. 11
	TOTAL MANDET	33,095,531	31,429,897	35,073,812	32,980,437	28,229,727 —
	TOTAL HANDLE ON-TRACK	7,160,665	6,616,631	6,973,546	6,436,307	5,430,099
	OFF-TRACK	13,989,697	12,662,765	14,743,259	12,668,775	10,991,809
		10,296,174	9,602,634	9,851,395	10,421,845	8,353,997
	OUT-OF-STATE ADW	1,648,996	2,547,867	3,505,612	3,453,511	3,453,822
		18,984,046	17,822,238	19,233,174	19,057,608	15,880,149
	LIVE	7,555,523	6,909,926	7,952,233	6,922,768	6,006,826
	OUT-OF-ZONE IMPORTED INTERSTATE IMPORTED	6,555,963	6,697,733	6,485,633	5,614,615	4,943,287
		6,555,865	0,007,700	1,402,772	1,385,446	1,399,464
	INTERNATIONAL IMPORTED	· ·	Ü		, ,	•
		2,757,961	2,619,158	2,922,818	2,748,370	2,566,339
	AVERAGE DAILY HANDLE AVERAGE DAILY ON-TRACK	596,722	551,386	581,129	536,359	493,645
		1,165,808	1,055,230	1,228,605	1,055,731	999,255
	AVERAGE DAILY OFF-TRACK	858,015	800,220	820,950	868,487	759,454
	AVERAGE DAILY OUT-OF-STATE	137,416	212,322	292,134	287,793	313,984
	AVERAGE DAILY ADW AVERAGE DAILY LIVE	1.582,004	1,485,186	1,602,764	1,588,134	1,443,650
		629,627	575,827	662,686	576,897	546,075
	AVG. DAILY OUT-OF-ZONE IMPORTED	•	558,144	540,469	467,885	449,390
	AVG. DAILY INTERSTATE IMPORTED	546,330 0	, 330, 144	116,898	115,454	127,224
	AVG DAILY INTERNATIONAL IMPORTI	U	V	, , , , , , , , , , , , , , , , , , , ,		•
	TOTAL TAKEOUT	6,355,874	6,409,255	7,168,798	6,758,863	5,781,751
	EFFECTIVE TAKEOUT	19.20%	20.39%	20,44%	20.49%	. 20.48%
	STATE LICENSE FEES	233,949	204,161	230,433	203,190	161,171
	STATE %	0.71%	0.65%	0.66%	0.62%	0.57%
	TRACK COMMISSIONS	1,155,665	1,054,551	1 158,909	1,054,130	884,360
	ADW COMMISSIONS	82,106	113,891	164,036	174;010	157,892
	TOTAL COMMISSIONS	1.237.771	1,168,442	1,322,944	1,228,140	1,042,252
	TRACK %	3,49%	3,36%	3.30%	3.20%	3.13%
•	HORSEMEN'S PURSES	1,165,836	1,061,645	1,164,261	1,059,757	887,929
	ADW PURSES	82,684	114,906	165,216	174,825	158,795
	TOTAL PURSES	1,248,519	1,176,551	1,329,477	1,234,582	1,046,724 —
	HORSEMEN'S %	3.52%	3,38%	3.32%	3.21%	3.15%
	COURTMENS AN	3.5270	*·*			

SAN MATEO COUNTY FAIR

YEAR	2003	2004 ·	2005	2006	2007
CALIFORNIA ATTENDANCE ON-TRACK OFF-TRACK AVERAGE DAILY ATTENDANCE AVERAGE DAILY ON - TRACK AVERAGE DAILY OFF - TRACK	71,453	61,286	64,845	62,676	51,964
	30,836	25,818	25,428	27,310	22,181
	40,617	35,468	39,417	35,366	29,783
	5,954	5,107	5,404	5,223	4,724
	2,570	2,152	2,119	2,276	2,016
	3,385	2,956	3,285	2,947	2,708
TOTAL RACE EVENTS TOTAL RUNNERS AVERAGE STARTS PER EVENT AVERAGE HANDLE PER START	112	101	113	111	93
	760	670	800	761	597
	6.8	6.8	7.1	6.9	6.4
	24,979	26,600	24,041	25,043	26,600

FRESNO FAIR

		•	•		
YEAR	2003	2004	2005	2006 ·	2007
TOTAL RACE DAYS	, 11	10	. 11	11 ,	11
- TOTAL HANDLE	7,122,973	6,840,268	8,104,725	9,364,097	9,251,137
ON-TRACK	3,313,016	3,117,712	3,442,261	3,476,203	3,169,221
OFF-TRACK	2,266,360	2,023,142	2,183,595	2,268,316	2,084,257
OUT-OF-STATE	645,210	675,873	1,270,851	1,763,598	1,949,618
ADW	898,388	1,023,541	. 1,208,018	1,855,981	2,048,041
LIVE	7,122,973	6,840,268	8,104,725	9,364,097	9,251,137
OUT-OF-ZONE IMPORTED	0	0	. 0	• 0 .	0-
INTERSTATE IMPORTED	0	G	. 0	Ó	. 0
AVERAGE DAILY HANDLE	647,543	684,027	736,793	851,282	841,012
AVERAGE ON-TRACK	301,183	311,771	312,933	316,018	288,111
AVERAGE OFF-TRACK	206,033	202,314	198,509	206,211	189,478
AVERAGE OUT-OF-STATE	58,655	67,587	115,532	160,327	177,238
AVERAGE ADW	89,839	102,354	120,802	185,598	204,804
AVERAGE LIVE	647,543	684,027	736,793	851,282	. 841,012
AVERAGE OUT-OF-ZONE IMPORTED	0	0	0	0	ð
AVERAGE INTERSTATE IMPORTED	. 0	0	0	0	. 0
TOTAL TAKEOUT	1,261,192	1,429,489	1,656,646	1,898,916	1,883,453
EFFECTIVE TAKEOUT	17.71%	20.90%	20.44%	20.28%	20.36%
STATE LICENSE FEES	80,181	74,770	83,664	86,967	80,596
STATE %	1.13%	1.09%	1.03%	0.93%	0.87%
TRACK COMMISSIONS	391,003	365,845	409,846	421,450	390,807
ADW COMMISSIONS	40,546	54,051	56,441	92,318	93,414
- TOTAL COMMISSIONS	431,549	419,896	486,287	513,767	484,221-
TRACK %	6.41%	6.50%	6.09%	5.80%	5.53%
HORSEMEN'S PURSES	414,005	387,669	433,732	445,680	412,536
ADW PURSES	42,755	57,023	59,610	97,722	98,874
→ TOTAL PURSES	456,760	444,692	493,342	543,403	511,410 —
HORSEMEN'S %	6.41%	6.50%	6.09%	5.80%	5.53%

FRESNO FAIR

YEAR	2003	2004	2005	2006	2007
CAliFORNIA ATTENDANCE	110,934	98,984	113,914	122,317	116,049
ON-TRACK	73.301	69,412	81,823	89,434	86,498
OFF-TRACK	37,633	29.572	32,091	32,883	29,551
AVERAGE DAILY ATTENDANCE	10,085	9,898	10,356	11,120	10,550
AVERAGE DAILY ON - TRACK	6,664	6,941	7,438	8,130	7,863
AVERAGE DAILY OFF - TRACK	3,421	2,957	2,917	2,989	2,686
TOTAL RACE EVENTS	. 101	91	99	100	99
TOTAL RUNNERS	762	747	702	798	758
AVERAGE RUNNERS PER EVENT	7.5	8.2	7.1	8.0	7.7
AVERAGE HANDLE PER START	9.348	9,157	11,545	11,734	12,205

CA Authority of Racing Fairs

Legislative Report - Last 10 Days 8/29/2008

AB 733 (Calderon, Charles) Gambling: exclusion from gambling establishments. (E-08/26/2008 httml pdf)

 $\textbf{Status: } 08/20/2008\text{-Senate amendments concurred in. To enrollment. (Ayes 74. \ Noes \ 0.$

Page 6748.)

Current Location: 08/20/2008-A ENROLLMENT

Digest: The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. The act provides for the enforcement of those activities by the Department of Justice.

Existing law requires the commission, by regulation, to provide for the formulation of a list of persons who are to be excluded or ejected from any gambling establishment, to distribute that list to all owner licensees, and to provide notice to any persons included on the list. Existing law requires the commission to adopt regulations establishing procedures for the hearing of petitions by persons who are ejected or excluded from licensed premises pursuant to these or other specified provisions. This bill would, instead, require that the above duties relating to persons who are to be excluded or ejected from any gambling establishment be performed by the Department of Justice. The bill would allow the commission to recommend to the department the names of persons it believes should be included on the list of those persons. The bill would make other technical, conforming changes.

Laws: An act to amend Sections 19840, 19844, and 19845 of the Business and Professions Code, relating to gambling.

History:

Aug. 20 Senate amendments concurred in. To enrollment. (Ayes 74. Noes 0. Page 6748.)

Aug. 19 Assembly Rule 77 suspended. (Page 6682.)

Aug. 18 Read third time, passed, and to Assembly. (Ayes 36. Noes 1. Page 5100.)

Aug. 18 In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 20 pursuant to Assembly Rule 77.

Aug. 12 Read second time. To third reading.

Aug. 11 From inactive file. To second reading.

Sept. 7 To inactive file on motion of Senator Calderon.

Sept. 6 From inactive file. To second reading. Read second time, amended, and to third reading.

July 16 To inactive file on motion of Senator Perata.

July 11 Read second time. To third reading.

July 10 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 26 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes

8. Noes 0.).

June 7 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

May 17 Referred to Com. on G.O.

May 10 Read third time, passed, and to Senate. (Ayes 72. Noes 0. Page 1436.)

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

May 7 Read second time. To Consent Calendar.

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

Apr. 19 From committee: Do pass, and re-refer to Com. on APPR. with

recommendation: To Consent Calendar. Re-referred. (Ayes 13. Noes 0.) (April 18).

Apr. 12 Re-referred to Com. on G.O.

Apr. 11 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.

Mar. 8 Referred to Com. on G.O.

Feb. 23 From printer. May be heard in committee March 25.

Feb. 22 Read first time. To print.

Organization CARF

Subject Gambling

AB (Price) Fairs: out-of-zone, out-of-state, and out-of-country races: harness racing:

workers' compensation. (A-08/22/2008 html pdf)

Status: 08/27/2008-Read second time. To third reading. **Current Location**: 08/27/2008-S THIRD READING

Calendar Events: 08/29/08 81 SEN THIRD READING FILE

Digest: Existing law provides that when the San Mateo County Fair, or other fair or thoroughbred association, and the Humboldt County Fair simultaneously conduct race meetings, the San Mateo County Fair, or other fair or thoroughbred association, is authorized to distribute the signal and accept wagers on out-of-zone, out-of-state, and out-of-country races if it complies with specified conditions.

Under existing law, for the period in which both fairs are conducting race meetings, the San Mateo County Fair, or other fair or thoroughbred association, is required to give to the Humboldt County Fair 0.75% of the out-of-zone, out-of-state, and out-of-country handle. Existing law requires the San Mateo County Fair to distribute the remaining amount by retaining 50% and distributing it equally as commissions and purses with the other 50% being paid to the state as a license fee.

This bill would make clarifying changes to the above provisions.

Existing law authorizes a harness racing association, until January 1, 2009, upon approval of the organization representing harness horsemen and horsewomen, to deduct an additional 1% from the conventional parimutual pools of harness races for workers' compensation costs of trainers, as specified, with any funds not expended for this purpose in the year in which they are collected to either be used for the following year's workers' compensation costs or to benefit the harness purse pool, as specified. If the harness racing association and the organization representing harness horsemen and horsewomen cannot agree on the manner of distribution of these funds, the matter is required to be submitted to the California Horse Racing Board for a decision.

This bill would extend the operation of these provisions until January 1, 2014.

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

Laws: An act to amend Sections 19601.2 and 19605.77 of the Business and Professions Code, relating to horse racing.

History:

Aug. 27 Read second time. To third reading.

Aug. 26 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

Aug. 25 Read second time. To third reading. Re-referred to Com. on APPR. pursuant to Joint Rule 10.5.

Aug. 22 Read third time, amended. To second reading.

June 26 Read second time. To third reading.

June 25 From committee: Do pass. (Ayes 9. Noes 0.).

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

June 14 Referred to Com. on G.O.

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

June 5 Read third time, passed, and to Senate. (Ayes 61. Noes 16. Page 1885.)

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

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

Apr. 26 Joint Rule 62(a), file notice waived. (Page 1177.)

Apr. 26 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 13. Noes 1.) (April 26).

Apr. 18 In committee: Set, first hearing. Hearing canceled at the request of author.

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

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

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

Feb. 26 Read first time.

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

Feb. 23 Introduced. To print.

Organization CARF Subject Gambling

AB 1389 (Torrico) Tribal gaming: local agencies. (A-08/21/2008 html pdf)

Status: 08/25/2008-Re-referred to Com. on RLS.

Current Location: 08/25/2008-S RLS.

Digest: Existing law creates in the State Treasury the Indian Gaming Special Distribution Fund for the receipt and deposit of moneys received by the state from certain Indian tribes pursuant to the terms of gaming compacts entered into with the

state. Existing law authorizes moneys in that fund to be used for specified purposes, including for grants for the support of state and local government agencies impacted by tribal government gaming.

Existing law, until January 1, 2009, creates a County Tribal Casino Account in the treasury of each county that contains a tribal casino. Existing law requires the Controller to divide the County Tribal Casino Account for each county that has gaming devices that are subject to an obligation to make contributions to the Indian Gaming Special Distribution Fund into a separate account, known as an Individual Tribal Casino Account, for each tribe that operates a casino within the county. Existing law provides for a certain portion of funds in an Individual Tribal Casino Account to be used for grants to local agencies impacted by tribes that are paying into the Indian Gaming Special Distribution Fund, and a certain portion for grants to local agencies impacted by tribes that are not paying into that fund. Existing law establishes an Indian Gaming Local Community Benefit Committee in each county in which gaming is conducted, specifies the composition of that committee, and requires that committee to make the selection of grants from the casino accounts. This bill would modify the composition of an Indian Gaming Local Community Benefit Committee if only one city is located within 4 miles of a tribal casino, as specified, and would require an Indian Gaming Local Community Benefit Committee to select only grant applications that mitigate impacts from casinos on local jurisdictions , and. The bill would provide that, if a local jurisdiction uses a grant for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent shall revert to the Indian Gaming Special Distribution Fund. It would require a local jurisdiction that receives a grant from an Individual Tribal Casino Account to deposit all funds received in an interest-bearing account and use the interest from those funds only to mitigate an impact from a casino. The bill would require that, as a condition of receiving further funds, a local jurisdiction, upon request, demonstrate to the county that all expenditures made from the account have been in compliance with these provisions.

Existing law requires each county that administers grants from the Indian Gaming Special Distribution Fund to provide an annual report to certain legislative and executive branch members by October 1 of each year detailing the specific projects funded by all grants in the county's jurisdiction in the previous fiscal year, as specified.

This bill would provide that a county that does not provide an annual report pursuant to these provisions shall not be eligible for funding from the Indian Gaming Special Distribution Fund for the following year.

This bill would extend the operation of these provisions until January 1, 2010 June 30, 2009.

This bill would appropriate \$30,000,000 from the Indian Gaming Special Distribution Fund to the California Gambling Control Commission to provide grants to local government agencies under the provisions described above.

This bill would authorize counties to utilize any moneys appropriated in the 2008-09 fiscal year from the Indian Gaming Special Distribution Fund to the California Gambling Control Commission for grants to counties pursuant to the provisions described above for expenditures made in the 2007-08 and 2008-09 fiscal years.

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

Laws: An act to amend Sections 12712, 12715, 12716, and 12718 of the Government Code, relating to gaming.

History:

Aug. 25 Re-referred to Com. on RLS.

Aug. 22 Read second time. To third reading.

Aug. 21 Read third time, amended. To second reading.

Aug. 12 Read second time. To third reading.

Aug. 11 From committee: Do pass. (Ayes 15. Noes 0.).

Aug. 4 In committee: Placed on Appropriations suspense file.

July 1 Read second time, amended, and re-referred to Com. on APPR.

June 30 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 8. Noes 0.).

Feb. 7 Referred to Com. on G.O.

Jan. 28 Read third time, passed, and to Senate. (Ayes 74. Noes 0. Page 3839.)

Jan. 28 In Senate. Read first time. To Com. on RLS. for assignment.

Jan. 24 From committee: Do pass. (Ayes 16. Noes 0. Page 3814.) (January 24). Read second time. To third reading.

Jan. 10 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 13. Noes 0. Page 3681.) (January 9).

Jan. 8 Re-referred to Com. on G.O.

Jan. 7 From committee chair, with author's amendments: Amend, and re-refer to Com. on G.O. Read second time and amended.

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

Feb. 26 Read first time.

2026

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

Feb. 23 Introduced. To print.

OrganizationPrioritySubject
TribalCARFHOTGaming

AB (Emmerson) Outdoor advertising. (A-08/21/2008 html pdf)

Status: 08/21/2008-Read third time, amended. To second reading. Re-referred to Com. on RLS. pursuant to Senate Rule 29.10(c). (Page 5295.)

Current Location: 08/21/2008-S SECOND READING

Digest: The Outdoor Advertising Act regulates the placement of advertising displays along highways. Existing law provides that nothing in these regulations prohibits the Department of Transportation from allowing the relocation of any legally permitted display situated on property being acquired for a public use to another location, subject to various approvals, provided that the relocation does not cause a reduction in federal highway funds to the state or result in an increase in the number of advertising displays within the jurisdiction of a governmental entity that do not conform to the regulations.

This bill would delete the provision that states that the relocation shall not result in an

increase in the number of nonconforming advertising displays within the jurisdiction of a governmental entity, thereby allowing a relocation as long as the total number of nonconforming displays is not increased on a statewide basis.

The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities by the California Gambling Control Commission. Existing law provides for the enforcement of those regulations by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

This bill would require the Gambling Control Commission and the Bureau of Gambling Control within the Department of Justice to prepare a study containing suggested guidelines for the play of poker on the Internet, as specified, and provide a structure for regulation for gambling establishments and tribal governments to offer poker on the Internet. The bill would require the Legislative Analyst to analyze the proposed guidelines and structure developed in the study and assess the potential volume of business and future revenues to the state from gambling establishments and tribal governments that might offer Internet poker. The bill would include a statement of legislative intent in this regard.

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

Laws: An act to amend Section 5443.5 of the Business and Professions Code, relating to outdoor advertising.

History:

Aug. 21 Read third time, amended. To second reading. Re-referred to Com. on RLS. pursuant to Senate Rule 29.10(c). (Page 5295.)

Aug. 18 To inactive file on motion of Senator Cedillo.

Aug. 14 Read second time. To third reading.

Aug. 13 From inactive file. To second reading.

Aug. 12 Read second time. To third reading. To inactive file on motion of Senator Perata.

Aug. 11 From committee: Do pass. (Ayes 8. Noes 7.).

Aug. 4 In committee: Placed on Appropriations suspense file.

July 1 Read second time, amended, and re-referred to Com. on APPR.

June 30 From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 7. Noes 1.) .

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

June 5 Referred to Com. on G.O.

May 29 In Senate. Read first time. To Com. on RLS. for assignment.

May 28 Read third time, passed, and to Senate. (Ayes 51. Noes 22. Page 5462.)

May 27 Read second time. To third reading.

May 23 From committee: Amend, and do pass as amended. (Ayes 12. Noes 5.) (May

22). Read second time and amended. Ordered returned to second reading.

Apr. 30 In committee: Set, first hearing. Referred to APPR. suspense file.

Apr. 17 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 11. Noes 0.) (April 16).

Feb. 28 Referred to Com. on G.O.

Feb. 19 From printer. May be heard in committee March 20.

Feb. 15 Read first time. To print.

Organization

CARF

<u>AB</u> 2048 (Silva) Horse racing. (E-08/22/2008 html pdf)

Status: 08/19/2008-Senate amendments concurred in. To enrollment. (Ayes 75. Noes 1. Page 6692.)

Current Location: 08/19/2008-A ENROLLMENT

Digest: Under existing law, the California Horse Racing Board is authorized to permit a harness or quarter horse association conducting a race meeting to accept wagers on the results of out-of-state, out-of-country, and sometimes other harness or quarter horse races, if specified conditions are met, including that the association conducts at least 7 live races and imports not more than 6 races on live racing days. This bill would revise that provision to instead permit the association to import not more than 8 races on live racing days.

Existing law authorizes the operation of satellite wagering facilities.

This bill would require the board to review the regulations governing the operation of satellite wagering facilities, in an attempt to reduce the cost of operating these facilities.

Existing law authorizes a quarter horse racing association to deduct an additional 0.5% of the total amount handled in its exotic parimutuel pools, under certain conditions, to be distributed as specified. This authorization expires as of January 1, 2009.

This bill would extend that authorization to January 1, 2014.

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

By providing for the importation of additional out-of-state and out-of-country races, this bill would authorize additional wagering, and would increase the amount of continuously appropriated license fees, thereby making an appropriation.

Appropriation: yes.

Laws: An act to amend Sections 19596.1 and 19605.76 of the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

History:

Aug. 19 Senate amendments concurred in. To enrollment. (Ayes 75. Noes 1. Page 6693.)

Aug. 14 Read third time, passed, and to Assembly. (Ayes 36. Noes 3. Page 5057.)

Aug. 14 In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 16 pursuant to Assembly Rule 77.

Aug. 13 Read second time. To third reading.

Aug. 12 Read third time, amended. To second reading.

Aug. 5 Read second time. To third reading.

Aug. 4 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 25 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 9. Noes 0.) .

May 22 Referred to Com. on G.O.

May 15 Read third time, passed, and to Senate. (Ayes 72. Noes 1. Page 5138.)

May 15 In Senate. Read first time. To Com. on RLS. for assignment.

May 5 Read second time. To third reading.

May 1 From committee: Do pass. (Ayes 16. Noes 0.) (April 30).

Apr. 17 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 11. Noes 0.) (April 16).

Apr. 10 Re-referred to Com. on G.O. In committee: Hearing postponed by committee.

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

Feb. 28 Referred to Com. on G.O.

Feb. 20 From printer. May be heard in committee March 21.

Feb. 19 Read first time. To print.

Organization

CARF

<u>AB</u> 2205

(Garrick) Horse racing: racing weeks: allocations. (E-08/28/2008 httml pdf)

Status: 08/28/2008-Senate amendments concurred in. To enrollment.

Current Location: 08/28/2008-A ENROLLMENT

Digest: Existing law generally creates district agricultural associations, which are state institutions.

Existing law, the

The Horse Racing Law ¬generally regulates horse racing and vests the administration and enforcement of the Horse Racing Law its provisions in the California Horse Racing Board. Existing law requires the board to make allocations of racing weeks as it deems appropriate and specifies the maximum number of racing weeks that may be allocated for horse racing other than at fairs, including, for thoroughbred racing, a maximum of 44 weeks per year in the northern zone, 42 weeks per year in the central zone, and 7 weeks per year in the southern zone.

This bill would , in the event authorize the board, if a venue used for thoroughbred racing by an association or racing fair licensed to conduct thoroughbred racing in the central zone in 2008 is not available for racing in 2009 or thereafter, authorize the board to allocate the dates formerly allocated to that venue to other-licensed associations or racing fairs that conducted licensed race meetings in 2008 in the southern or central zone in accordance with specified requirements, including, among others, that a certain agreed upon, plan of allocation be submitted annually to the board and that the aggregate racing. The bill would provide that, upon allocation of dates pursuant to these provisions, no association or racing fair licensed to conduct thoroughbred

racing in the southern or central zones may receive more than 25 weeks conducted of thoroughbred racing in the combined southern and central zones do not exceed the total aggregate racing weeks allocated, as specified. The bill would prohibit the aggregate allocation of racing weeks conducted in the southern and central zones from exceeding the total aggregate racing weeks permitted to be run in those zones, as specified.

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

Laws: An act to add Section 19532.1 to the Business and Professions Code, relating to horse racing.

History:

Aug. 28 Senate amendments concurred in. To enrollment.

Aug. 26 In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 28 pursuant to Assembly Rule 77.

Aug. 20 (Corrected August 19.) Read third time, passed, and to Assembly. (Ayes 28. Noes 1. Page 5195.)

Aug. 18 Read second time. To third reading.

Aug. 14 Read third time, amended. To second reading.

July 10 Read second time. To third reading.

July 7 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 25 From committee: Do pass, and re-refer to Com. on APPR. with

recommendation: To Consent Calendar. Re-referred. (Ayes 9. Noes 0.).

June 19 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

June 4 In committee: Set, first hearing. Hearing canceled at the request of author.

May 22 Referred to Com. on G.O.

May 15 Read third time, passed, and to Senate. (Ayes 75. Noes 0. Page 5165.)

May 15 In Senate. Read first time. To Com. on RLS. for assignment.

May 12 Read second time. To Consent Calendar.

May 8 From committee: Do pass. To Consent Calendar. (May 7).

Apr. 24 Re-referred to Com. on APPR.

Apr. 23 Read second time and amended.

Apr. 22 From committee: Amend, do pass as amended, and re-refer to Com. on

APPR. (Ayes 12. Noes 0.) (April 16).

Apr. 3 Re-referred to Com. on G.O.

Apr. 2 From committee chair, with author's amendments: Amend, and re-refer to

Com. on G.O. Read second time and amended.

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

Feb. 21 From printer. May be heard in committee March 22.

Feb. 20 Read first time. To print.

Organization

CARF

Status: 08/18/2008-Senate amendments concurred in. To enrollment. (Ayes 68. Noes 6. Page 6602.)

Current Location: 08/18/2008-A ENROLLMENT

Digest: (1) The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law provides for the enforcement of those activities by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

Existing law provides that no temporary injunction or other provisional order shall issue to restrain, stay, or otherwise interfere with any action by the department or the commission, except as specified, and that no order may be effective for more than 15 calendar days.

This bill instead would provide that, except for preliminary injunctions, no order may be effective for more than 15 calendar days, and no preliminary order may be effective for more than 45 days, except by stipulation of the department or commission.

(2) Existing law authorizes the commission, for any cause deemed reasonable by the commission, to deny any application for a license, permit, or approval, to limit, condition, or restrict any license, permit, or approval, or to impose any fine upon any person licensed or approved.

This bill would further authorize the commission to condition, restrict, discipline, or take action against the license of an individual owner endorsed on the license certificate of the gambling enterprise whether or not the commission takes action against the license of the gambling enterprise.

(3) Existing law authorizes the commission to adopt regulations for the administration and enforcement of the Gambling Control Act. The regulations adopted by the commission are required to prohibit gambling establishments from cashing checks drawn against any federal, state, or county fund. Existing law requires gambling establishments to send the department copies of all dishonored or uncollectible checks at the end of each quarter.

This bill would require the regulations to prohibit gambling enterprises from cashing checks drawn against any federal, state, or county fund, and would delete the requirement that copies of dishonored or uncollectible checks be sent to the department. The bill also would require the regulations, by December 31, 2010, to provide procedures, criteria, and timelines for the processing and approval of applications for the licensing, temporary or interim licensing, or findings of suitability for receivers, trustees, beneficiaries, executors, administrators, conservators, successors in interest, or security interest holders for a gambling enterprise so that gambling enterprises may operate continuously in cases including, but not limited to, the death, insolvency, foreclosure, receivership, or incapacity of a licensee.

(4) Existing law provides that an owner of a gambling enterprise that is not a natural

(4) Existing law provides that an owner of a gambling enterprise that is not a natural person shall not be eligible for a state gambling license unless certain persons individually apply for and obtain a state gambling license, except as specified. This bill would define "gambling enterprise" for purposes of these provisions, and would require that, if the owner is a limited liability company, every officer, manager, member, or owner apply for and obtain a state gambling license as described above.

The bill would make other conforming changes.

(5) Existing law requires the department to investigate an applicant for a gambling license. Existing law provides that, if denial of the application, or approval of the license with restrictions or conditions on the license, is recommended, the head of the entity within the department that is responsible for enforcing these provisions shall prepare and file with the commission his or her written reasons upon which the recommendation is based.

This bill would, in addition, require the head of that entity within the department to file with the commission the reasons for his or her recommendation if he or she recommends approval of the license with restrictions or conditions. The bill also would require the head of that entity to prepare and file with the commission, if a restriction or condition on the license is recommended, his or her written reasons upon which the recommendation is based, including informing the applicant in writing generally of the basis for any proposed recommendation that the application be restricted or conditioned, as specified.

(6) Existing law requires a corporation to comply with specified requirements in order to obtain a gambling license, including a requirement that the corporation register as a corporation with the department and supply specified supplemental information to the department.

This bill would instead require a corporation to supply supplemental forms and information with the initial license application, and thereafter only on request, to the department, as specified.

(7) Existing law requires the owner of any security issued by a corporation that applies for or holds an owner license to immediately offer the security to the issuing corporation for purchase, if at any time the commission denies a license to the individual owner of the security.

This bill would instead require the commission, if at any time it denies a license to, or revokes the license of, an individual owner of any security issued by a corporation that applies for or holds an owner license, to immediately notify the individual and the corporation of that fact. The bill would require the owner of the security to sell the security, as specified.

(8) Existing law requires a limited partnership to comply with specified requirements in order to obtain a gambling license, including a requirement that the limited partnership be formed under the laws of this state.

This bill would impose on all partnerships the requirements for obtaining a gambling license that are applicable to limited partnerships, and would require that a partnership be registered as may be required under the laws of this state, instead of being formed under the laws of this state. The bill would modify other applicable requirements, including imposing on partnerships the requirement described in paragraph (6) relative to corporations. The bill would also require that limited liability companies comply with parallel requirements in order to obtain a gambling license.

(9) Under existing law, the purported sale, assignment, transfer, pledge, or other disposition of any interest in a limited partnership that holds a gambling license, or the grant of an option to purchase the interest, is void unless approved in advance by the commission. Existing law also requires the commission, if at any time it denies a license to an individual owner of any interest in a limited partnership that holds a gambling license, to immediately notify the partnership of that fact, and would

require the partnership to return to the denied owner of the interest in cash the amount of his or her capital account, as specified.

This bill would make these provisions applicable to all partnerships and limited liability companies that hold a gambling license, would require the commission to give notice to the individual owner of the interest when it denies or revokes the license of the individual, and would require that individual to sell his or her interest, as specified.

(10) Existing law requires that, to the extent required by specified provisions of law, certain persons associated with a limited partnership that holds or applies for a license to own a gambling enterprise be licensed individually.

This bill would include members and managers among the persons to whom the above requirement applies and would impose the requirement, in addition, on those persons if they are associated with any partnership or limited liability company that holds or applies for a license to own a gambling enterprise.

(11) Existing law prohibits certain security interests from being enforced without the prior approval of the commission and compliance with certain regulations adopted by the department, including a security interest in a security issued by a partnership, except as specified. The department is required to adopt regulations establishing the procedure for the enforcement of a security interest.

This bill would, in addition, prohibit enforcement of a security interest without the above approval if the security interest is in a security issued by a limited partnership or limited liability company. The bill would instead require the commission to adopt those regulations.

- (12) Existing law requires an order of the commission denying an application for a work permit to be reviewed in accordance with specified provisions of law. This bill would, in addition, apply the above requirement to an order of the commission placing restrictions or conditions on a work permit.
- (13) Existing law prohibits permitting any person under 21 years of age from entering upon the premises of a licensed gambling establishment, except for limited areas, as specified, and requires a separate entrance to those areas.

This bill would include among those exceptions, a designated pathway to reach those permissible areas, would delete the requirement for a separate entrance, and would permit passage of a person under 21 years of age through the gaming floor by way of a designated pathway if accompanied by a person over 21 years of age or an employee of the gambling establishment.

(14) Existing law provides that any person aggrieved by a final decision or order of the commission that limits, conditions, suspends, or revokes any previously granted license or approval, made after hearing by the commission, may petition the Superior Court for the County of Sacramento for judicial review pursuant to specified provisions of law. Existing law provides that the court may summarily deny the petition, or the court may issue an alternative writ directing the commission to certify the whole record of the department in the case to the court. Existing law requires that, if an alternative writ issues, the cause be heard on the whole record of the department as certified by the commission.

This bill would, instead, with respect to the above alternative writ, authorize the court to issue that writ to certify the whole record in the case to the court, and would require that, if the alternative writ issues, the cause be heard on the whole record as certified by the commission.

(15) The Gambling Control Act authorizes a city or county to permit controlled gambling, consistent with state law, if a majority of voters affirmatively approve an ordinance so permitting, as specified. That law authorizes an amendment of an ordinance permitting an expansion of gambling, within a specified limit, without voter approval, and also authorizes, without voter approval, an amendment to an ordinance permitting an increase of 24.99% in the number of gambling tables that may be operated in a gambling establishment or 2 gambling tables, whichever is greater, compared to the ordinance in effect on January 1, 1996.

This bill would authorize, if a gambling establishment is located in an unincorporated area annexed by a city without a local election other than the election to approve the annexation, the city acquiring jurisdiction to adopt an ordinance permitting and regulating controlled gaming in the existing gambling establishment, providing hours of operation, the games to be played, wagering limits, and the maximum number of gambling establishments and tables permitted in each gambling establishment, the same as those limits in any ordinance or resolutions that formerly applied to the gambling establishment.

(16) Because any violation of these provisions would be punishable as a misdemeanor, the bill would impose a state-mandated local program by creating a new crime.

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.

AB 2627, Mendoza. Gambling regulation.

(1) The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law provides for the enforcement of those activities by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

Existing law provides that no temporary injunction or other provisional order shall issue to restrain, stay, or otherwise interfere with any action by the department or the commission, except as specified, and that no order may be effective for more than 15 calendar days.

This bill instead would provide that, except for preliminary injunctions, no order may be effective for more than 15 calendar days, and no preliminary order may be effective for more than 45 days, except by stipulation of the department or commission.

(2) Existing law authorizes the commission, for any cause deemed reasonable by the commission, to deny any application for a license, permit, or approval, to limit, condition, or restrict any license, permit, or approval, or to impose any fine upon any person licensed or approved.

This bill would further authorize the commission to condition, restrict, discipline, or take action against the license of an individual owner endorsed on the license certificate of the gambling enterprise whether or not the commission takes action against the license of the gambling enterprise.

(3) Existing law authorizes the commission to adopt regulations for the administration and enforcement of the Gambling Control Act. The regulations

adopted by the commission are required to prohibit gambling establishments from cashing checks drawn against any federal, state, or county fund. Existing law requires gambling establishments to send the department copies of all dishonored or uncollectible checks at the end of each quarter.

This bill would require the regulations to prohibit gambling enterprises from cashing checks drawn against any federal, state, or county fund, and would delete the requirement that copies of dishonored or uncollectible checks be sent to the department. The bill also would require the regulations, by December 31, 2010, to provide procedures, criteria, and timelines for the processing and approval of applications for the licensing, temporary or interim licensing, or findings of suitability for receivers, trustees, beneficiaries, executors, administrators, conservators, successors in interest, or security interest holders for a gambling enterprise so that gambling enterprises may operate continuously in cases including, but not limited to, the death, insolvency, foreclosure, receivership, or incapacity of a licensee.

- (4) Existing law provides that an owner of a gambling enterprise that is not a natural person shall not be eligible for a state gambling license unless certain persons individually apply for and obtain a state gambling license, except as specified. This bill would define "gambling enterprise" for purposes of these provisions, and would require that, if the owner is a limited liability company, every officer, manager, member, or owner apply for and obtain a state gambling license as described above. The bill would make other conforming changes.
- (5) Existing law requires the department to investigate an applicant for a gambling license. Existing law provides that, if denial of the application, or approval of the license with restrictions or conditions on the license, is recommended, the head of the entity within the department that is responsible for enforcing these provisions shall prepare and file with the commission his or her written reasons upon which the recommendation is based.

This bill would, in addition, require the head of that entity within the department to file with the commission the reasons for his or her recommendation if he or she recommends approval of the license with restrictions or conditions. The bill also would require the head of that entity to prepare and file with the commission, if a restriction or condition on the license is recommended, his or her written reasons upon which the recommendation is based, including informing the applicant in writing generally of the basis for any proposed recommendation that the application be restricted or conditioned, as specified.

(6) Existing law requires a corporation to comply with specified requirements in order to obtain a gambling license, including a requirement that the corporation register as a corporation with the department and supply specified supplemental information to the department.

This bill would instead require a corporation to supply supplemental forms and information with the initial license application, and thereafter only on request, to the department, as specified.

(7) Existing law requires the owner of any security issued by a corporation that applies for or holds an owner license to immediately offer the security to the issuing corporation for purchase, if at any time the commission denies a license to the individual owner of the security.

This bill would instead require the commission, if at any time it denies a license to, or revokes the license of, an individual owner of any security issued by a corporation

that applies for or holds an owner license, to immediately notify the individual and the corporation of that fact. The bill would require the owner of the security to sell the security, as specified.

(8) Existing law requires a limited partnership to comply with specified requirements in order to obtain a gambling license, including a requirement that the limited partnership be formed under the laws of this state.

This bill would impose on all partnerships the requirements for obtaining a gambling license that are applicable to limited partnerships, and would require that a partnership be registered as may be required under the laws of this state, instead of being formed under the laws of this state. The bill would modify other applicable requirements, including imposing on partnerships the requirement described in paragraph (6) relative to corporations. The bill would also require that limited liability companies comply with parallel requirements in order to obtain a gambling license.

(9) Under existing law, the purported sale, assignment, transfer, pledge, or other disposition of any interest in a limited partnership that holds a gambling license, or the grant of an option to purchase the interest, is void unless approved in advance by the commission. Existing law also requires the commission, if at any time it denies a license to an individual owner of any interest in a limited partnership that holds a gambling license, to immediately notify the partnership of that fact, and would require the partnership to return to the denied owner of the interest in cash the amount of his or her capital account, as specified.

This bill would make these provisions applicable to all partnerships and limited liability companies that hold a gambling license, would require the commission to give notice to the individual owner of the interest when it denies or revokes the license of the individual, and would require that individual to sell his or her interest, as specified.

(10) Existing law requires that, to the extent required by specified provisions of law, certain persons associated with a limited partnership that holds or applies for a license to own a gambling enterprise be licensed individually.

This bill would include members and managers among the persons to whom the above requirement applies and would impose the requirement, in addition, on those persons if they are associated with any partnership or limited liability company that holds or applies for a license to own a gambling enterprise.

(11) Existing law prohibits certain security interests from being enforced without the prior approval of the commission and compliance with certain regulations adopted by the department, including a security interest in a security issued by a partnership, except as specified. The department is required to adopt regulations establishing the procedure for the enforcement of a security interest.

This bill would, in addition, prohibit enforcement of a security interest without the above approval if the security interest is in a security issued by a limited partnership or limited liability company. The bill would instead require the commission to adopt those regulations.

- (12) Existing law requires an order of the commission denying an application for a work permit to be reviewed in accordance with specified provisions of law. This bill would, in addition, apply the above requirement to an order of the commission placing restrictions or conditions on a work permit.
- (13) Existing law prohibits permitting any person under 21 years of age from entering

upon the premises of a licensed gambling establishment, except for limited areas, as specified, and requires a separate entrance to those areas.

This bill would include among those exceptions, a designated pathway to reach those permissible areas, would delete the requirement for a separate entrance, and would permit passage of a person under 21 years of age through the gaming floor by way of a designated pathway if accompanied by a person over 21 years of age or an employee of the gambling establishment.

(14) Existing law provides that any person aggrieved by a final decision or order of the commission that limits, conditions, suspends, or revokes any previously granted license or approval, made after hearing by the commission, may petition the Superior Court for the County of Sacramento for judicial review pursuant to specified provisions of law. Existing law provides that the court may summarily deny the petition, or the court may issue an alternative writ directing the commission to certify the whole record of the department in the case to the court. Existing law requires that, if an alternative writ issues, the cause be heard on the whole record of the department as certified by the commission.

This bill would, instead, with respect to the above alternative writ, authorize the court to issue that writ to certify the whole record in the case to the court, and would require that, if the alternative writ issues, the cause be heard on the whole record as certified by the commission.

(15) The Gambling Control Act authorizes a city or county to permit controlled gambling, consistent with state law, if a majority of voters affirmatively approve an ordinance so permitting, as specified. That law authorizes an amendment of an ordinance permitting an expansion of gambling, within a specified limit, without voter approval, and also authorizes, without voter approval, an amendment to an ordinance permitting an increase of 24.99% in the number of gambling tables that may be operated in a gambling establishment or 2 gambling tables, whichever is greater, compared to the ordinance in effect on January 1, 1996.

This bill would authorize, if a gambling establishment is located in an unincorporated area annexed by a city without a local election other than the election to approve the annexation, the city acquiring jurisdiction to adopt an ordinance permitting and regulating controlled gaming in the existing gambling establishment, providing hours of operation, the games to be played, wagering limits, and the maximum number of gambling establishments and tables permitted in each gambling establishment, the same as those limits in any ordinance or resolutions that formerly applied to the gambling establishment.

(16) Because any violation of these provisions would be punishable as a misdemeanor, the bill would impose a state-mandated local program by creating a new crime.

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

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

Laws: An act to amend Sections 19804, 19805, 19824, 19841, 19846, 19852, 19868, 19880, 19882, 19890, 19892, 19893, 19900, 19912, 19921, 19932, 19941, and 19984 of, to amend the heading of Article 6 (commencing with Section 19890) of Chapter 5 of Division 8

of, and to add Sections 19890.5 and 19966 to, the Business and Professions Code, relating to gambling.

History:

Aug. 18 Senate amendments concurred in. To enrollment. (Ayes 68. Noes 6. Page 6602.)

Aug. 14 Read third time, passed, and to Assembly. (Ayes 31. Noes 5. Page 5057.)

Aug. 14 In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 16 pursuant to Assembly Rule 77.

Aug. 13 Read second time. To third reading.

Aug. 12 Read third time, amended. To second reading.

Aug. 5 Read second time. To third reading.

Aug. 4 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 25 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 8. Noes 1.) .

June 17 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

May 15 Referred to Com. on G.O.

May 8 Read third time, passed, and to Senate. (Ayes 62. Noes 10. Page 5029.)

May 8 In Senate. Read first time. To Com. on RLS. for assignment.

Apr. 28 Read second time. To third reading.

Apr. 24 From committee: Do pass. (Ayes 16. Noes 1.) (April 23).

Apr. 10 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 11. Noes 0.) (April 9).

Apr. 7 Re-referred to Com. on G.O.

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

Mar. 13 Referred to Coms. on G.O. and JUD.

Feb. 25 Read first time.

Feb. 24 From printer. May be heard in committee March 25.

Feb. 22 Introduced. To print.

Organization

CARF

<u>AB</u> 3072

(Price) Tribal gaming: compact ratification. (E-08/27/2008 httml pdf)

Status: 08/21/2008-Urgency clause adopted. Senate amendments concurred in. To enrollment. (Ayes 72. Noes 0. Page 6772.)

Current Location: 08/21/2008-A ENROLLMENT

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

gaming compacts, and amendments of tribal-state gaming compacts, between the State of California and specified Indian tribes.

This bill would ratify an amendment to a tribal-state gaming compact entered into between the State of California and the Shingle Springs Band of Miwok Indians, executed on June 30, 2008. The bill would require that related revenue contributions be deposited into the General Fund, except as specified, and would also provide that, in deference to tribal sovereignty, certain actions may not be deemed projects for purposes of the California Environmental Quality Act.

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

Laws: An act to add Section 12012.53 to the Government Code, relating to gaming, and declaring the urgency thereof, to take effect immediately.

History:

Aug. 21 Urgency clause adopted. Senate amendments concurred in. To enrollment. (Ayes 72. Noes 0. Page 6772.)

Aug. 20 From committee: With recommendation: That Senate amendments be concurred in. (Ayes 11. Noes 0.) (August 20).

Aug. 19 Joint Rule 62(a), file notice waived. (Page 6680.)

Aug. 18 Joint Rule 62(a), file notice waived. (Page 6654.)

Aug. 15 Joint Rule 62(a), file notice waived. Re-referred to Com. on G.O. pursuant to Assembly Rule 77.2.

Aug. 14 Read third time. Urgency clause adopted. Passed and to Assembly. (Ayes 31. Noes 8. Page 5044.)

Aug. 14 In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 16 pursuant to Assembly Rule 77.

Aug. 13 Read second time. To third reading.

Aug. 12 Withdrawn from committee. Ordered placed on second reading file.

Aug. 11 Read second time. To third reading. Re-referred to Com. on APPR. pursuant to Joint Rule 10.5.

Aug. 7 Read third time, amended. To second reading.

June 30 From Consent Calendar. To third reading.

Iune 26 Read second time. To Consent Calendar.

June 25 From committee: Do pass. To Consent Calendar.

May 8 Referred to Com. on G.O.

May 1 Read third time, passed, and to Senate. (Ayes 76. Noes 0. Page 4937.)

May 1 In Senate. Read first time. To Com. on RLS. for assignment.

Apr. 28 Read second time. To Consent Calendar.

Apr. 24 From committee: Do pass. To Consent Calendar. (April 23).

Apr. 7 Re-referred to Com. on G.O.

Apr. 3 Referred to Com. on G.O. From committee chair, with author's amendments:

Amend, and re-refer to Com. on G.O. Read second time and amended.

Mar. 14 From printer. May be heard in committee April 13.

Mar. 13 Read first time. To print.

Organization

CARF

3073

Status: 08/25/2008-Read third time, passed, and to Assembly. (Ayes 34. Noes 0.) Current Location: 08/25/2008-A ASSEMBLY

Digest: Existing law provides that the jurisdiction and supervision over meetings in this state where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board. This jurisdiction includes the authority to allocate racing days and weeks to racing associations and fairs, as provided. Existing law permits the board to allocate up to 14 racing days to a fair each year, with specified exceptions, and provides that these 14 days shall be during the period in which general fair activities are conducted.

This bill would delete the requirement that the racing days be during the period in which general fair activities are conducted. The bill would also make conforming changes.

Existing law provides for special races for California-bred horses, with minimum purse money allocated to those races. Existing law defines a "California-bred horse" for that purpose. This bill would require California-sired horses to be included within the special races designated for California-bred horses, as specified. This bill would define a "California-sired horse" for that purpose.

Existing law makes it an offense for any person to influence, induce, or conspire with any owner, jockey, groom, or other person associated with or interested in any stable, horse, or race in which a horse participates, to affect the result of that race, as specified.

This bill would add trainers to the list of parties whom a person may not influence, induce, or conspire with to affect race results.

Existing law forbids, among other things, the administration of drugs to a horse to affect race results, but exempts from the definition of drugs for this purpose recognized vitamins or supplemental feeds approved by the veterinarian representing the California Horse Racing Board.

This bill would instead exempt recognized vitamins or supplemental feeds approved by or in compliance with the rules and regulations of the board. The bill would make other technical and nonsubstantive changes to these provisions.

By expanding the scope of an existing offense, this bill would impose a statemandated local program.

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

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

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

Laws: An act to amend Sections 19406 and 19568 of the Business and Professions Code, and to amend Section 337f of the Penal Code, relating to horse racing.

History:

Aug. 25 Read third time, passed, and to Assembly. (Ayes 34. Noes 0.)

Aug. 19 Read second time, amended, and to third reading.

Aug. 18 From committee: Be placed on second reading file pursuant to Senate Rule 28.8 and be amended.

Aug. 14 Read second time. To third reading. Re-referred to Com. on APPR. pursuant to Joint Rule 10.5.

Aug. 13 Read third time, amended. To second reading.

June 30 From Consent Calendar. To third reading.

June 26 Read second time. To Consent Calendar.

June 25 From committee: Do pass. To Consent Calendar.

May 8 Referred to Com. on G.O.

May 1 Read third time, passed, and to Senate. (Ayes 76. Noes 0. Page 4928.)

May 1 In Senate. Read first time. To Com. on RLS. for assignment.

Apr. 28 Read second time. To third reading.

Apr. 24 From committee: Do pass. (Ayes 14. Noes 0.) (April 23).

Mar. 24 Referred to Com. on G.O.

Mar. 14 From printer. May be heard in committee April 13.

Mar. 13 Read first time. To print.

Organization

CARF

<u>AB</u> 3074

(Committee on Governmental Organization) Horse racing. (A-08/18/2008 httml pdf)

Status: 08/26/2008-In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 28 pursuant to Assembly Rule 77.

Current Location: 08/26/2008-A CONCURRENCE

Calendar Events: 08/29/08 2 ASM CONCURRENCE IN AMENDMENTS

Digest: Existing law provides that the California Horse Racing Board may authorize a California harness racing association conducting a live racing meeting to accept wagers on the full card of races conducted by another racing association on the day that other association conducts the Breeder's Crown Stakes, the Meadowlands Pace, the Hambletonian, or the North American Cup.

This bill would authorize the board to permit a California harness racing association conducting a live racing meeting to accept wagers on the full card of races conducted by another racing association on the day that other association conducts the Kentucky Futurity.

Existing law authorizes a thoroughbred racing association or fair to distribute the audiovisual signal and accept wagers on the results of out-of-state thoroughbred races conducted in the United States during the calendar period the association or fair is conducting a race meeting, including days on which there is no live racing being conducted by the association or fair, without the consent of the organization that represents horsemen participating in the race meeting and without regard to the amount of purse, provided however, that the total number of thoroughbred races on which wagers are accepted statewide in any given year does not exceed the total number of thoroughbred races on which wagers were accepted in 1998.

Existing law also provides, subject to exceptions, that the total number of thoroughbred races imported by associations or fairs on a statewide basis under these provisions not exceed 23 per day on days when live thoroughbred or fair racing is being conducted in the state.

This bill would delete the restriction limiting the total number of thoroughbred races on which wagers are accepted statewide in any given year to a number not exceeding the total in 1998, as specified. The bill would also provide that, subject to exceptions, the total number of thoroughbred races imported by associations or fairs on a statewide basis under these provisions shall not exceed 32 per day on days when live thoroughbred or fair racing is being conducted in the state.

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

This bill would authorize additional wagering, and would increase correspondingly the amount of continuously appropriated license fees, thereby making an appropriation. This bill would also result in a change in state taxes for the purpose of increasing state revenues within the meaning of Section 3 of Article XIII A of the California Constitution, thereby requiring a 2/3 vote for passage.

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

Laws: An act to amend Sections 19596 and 19596.2 of the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

History:

Aug. 26 In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 28 pursuant to Assembly Rule 77.

Aug. 25 Read third time, passed, and to Assembly. (Ayes 34. Noes 0.)

Aug. 19 Read second time. To third reading.

Aug. 18 Read third time, amended. To second reading.

July 10 Read second time. To third reading.

July 7 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

June 25 From committee: Do pass, and re-refer to Com. on APPR. with

recommendation: To Consent Calendar. Re-referred. (Ayes 9. Noes 0.).

May 22 Referred to Com. on G.O.

May 15 Read third time, passed, and to Senate. (Ayes 70. Noes 2. Page 5160.)

May 15 In Senate. Read first time. To Com. on RLS. for assignment.

May 5 Read second time. To third reading.

May 1 From committee: Do pass. (Ayes 16. Noes 0.) (April 30).

Apr. 17 From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes

11. Noes 0.) (April 16).

Mar. 24 Referred to Com. on G.O.

Mar. 14 From printer. May be heard in committee April 13.

Mar. 13 Read first time. To print.

Organization

CARF

SB 561 (Margett) Horse racing: racing days. (E-08/22/2008 html pdf)

Status: 08/19/2008-Urgency clause adopted. Senate concurs in Assembly

amendments. (Ayes 35. Noes 0. Page 5151.) To enrollment.

Current Location: 08/19/2008-S ENROLLMENT

Digest: Existing law limits an association licensed to conduct thoroughbred racing in the northern zone to 22 weeks of that racing.

This bill would instead allow an association licensed to conduct thoroughbred racing in the northern zone up to 35 weeks of that racing.

Existing law generally limits the maximum number of racing days allocated to a fair to 14 days each year and limits those racing days to the period in which general fair activities are conducted.

This bill would expand the maximum period for racing allocated to a fair to 4 weeks each year and would remove the prohibition on racing outside of the period in which general fair activities are conducted.

Existing law limits the allocation of dates for a combined fair horse racing meeting to between July 1 and October 31, and places a limit on the total combined number of dates allocated for those meetings.

This bill would authorize combined fair horse racing meetings during the month of June, and would delete that limitation on the total combined number of dates for combined fair horse racing meetings.

By expanding the number of racing dates each year, this bill would authorize additional wagering and would increase the amount of continuously appropriated license fees, thereby making an appropriation.

This bill would declare that it is to take effect immediately as an urgency statute. Appropriation: yes.

Laws: An act to amend Sections 19532, 19549, and 19549.1 of the Business and Professions Code, relating to horse racing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

History:

Aug. 19 Urgency clause adopted. Senate concurs in Assembly amendments. (Ayes 35. Noes 0. Page 5151.) To enrollment.

Aug. 13 In Senate. To unfinished business.

Aug. 12 Read third time. Urgency clause adopted. Passed. (Ayes 77. Noes 0. Page 6377.) To Senate.

Aug. 4 Read second time. To third reading.

July 15 Read second time. Amended. To second reading.

July 14 From committee: Do pass as amended. (Ayes 15. Noes 0.)

June 26 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 13. Noes 0.) Re-referred to Com. on APPR.

June 16 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on G.O.

Apr. 28 To Com. on G.O.

Jan. 24 Read third time. Passed. (Ayes 34. Noes 1. Page 2855.) To Assembly.

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

Jan. 9 Read second time. To Consent Calendar.

Jan. 8 From committee: Do pass. To Consent Calendar. (Ayes 5. Noes 0. Page 2780.)

Dec. 18 Set for hearing January 8.

Mar. 8 To Com. on G.O.

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

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

OrganizationPrioritySubjectCARFHOTHorse Racing

SB 863 (Yee) Parks: funding: Half Moon Bay. (A-08/22/2008 html pdf)

Status: 08/22/2008-Read third time. Amended. (Ayes 47. Noes 29. Page 6795.) Re-

referred to Com. On APPR. pursuant to Assembly Rule 77.2.

Current Location: 08/14/2008-A THIRD READING

Digest: The Housing and Emergency Shelter Trust Fund Act of 2006, a bond measure adopted by the voters at the November 7, 2006, statewide general election, authorizes the issuance of \$2,850,000,000 of general obligation bonds for housing-related programs. The act required that \$200,000,000 of those bond funds be deposited in the Housing Urban-Suburban-and-Rural Parks Account created in the fund, which is available, upon appropriation by the Legislature, for housing-related parks grants in urban, suburban, and rural areas, subject to the conditions and criteria provided by the Legislature.

This bill would appropriate \$10,000,000 to the State Coastal Conservancy from the Housing Urban-Suburban-and-Rural Parks Account for grants to the City of Half Moon Bay for acquisition and associated park and trail development of property known as the "Beachwood Property" and costs and repayment of debts associated with the acquisition and associated park and trail development of the Pilarcitos Creek Park property. The funds would be required to be expended as prescribed, including, but not limited to, the preparation of an independent appraisal to establish fair market value of the Beachwood property.

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

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

Existing law establishes the California Horse Racing Board, consisting of 7 members appointed by the Governor.

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

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

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

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

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

History:

Aug. 22 Read third time. Amended. (Ayes 47. Noes 29. Page 6795.) Re-referred to Com. On APPR. pursuant to Assembly Rule 77.2.

Aug. 14 From inactive file to third reading file.

Aug. 13 Notice of motion to remove from inactive file given by Assembly Member Torrico.

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

Aug. 27 Read second time. To third reading.

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

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

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

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

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

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

May 9 Read second time. To third reading.

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

Apr. 9 Set for hearing May 8.

Mar. 15 To Com. on G.O.

Feb. 26 Read first time.

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

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

Organization Subject
CARF Horse Racing

SB (Yee) State property: sale. (A-07/14/2008 html pdf)

1527

Status: 08/22/2008-Read third time. Urgency clause adopted. Passed. (Ayes 64. Noes 14. Page 6809.) To Senate.

Current Location: 08/22/2008-S SENATE

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

This bill would require the director, prior to January 1, 2009, to *enter into negotiations* to sell, at fair market value, upon those terms and conditions determined by the director, a specified parcel of state property located in the County of San Mateo and the City and County of San Francisco to any interested parties 3rd party, with the Daly City Redevelopment Agency afforded the right of first refusal, as specified. The net proceeds of the conveyance would be paid into the Fair and Exposition Fund, a continuously appropriated fund, for the benefit of a specified district agricultural association, as provided, thereby making an appropriation. The bill would require

reimbursement to the Department of General Services for any cost or expense incurred in the disposition of the property from the purchaser or the Daly City Redevelopment Agency *or other purchaser*. This bill would also declare the Legislature's findings that the sale of this state property does not constitute a sale of surplus state property, as set forth in specified existing law.

The bill would declare that it would take effect immediately as an urgency statute. Vote: 2/3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to add Section 19622.5 to the Business and Professions Code, and to add Section 11011.27 to the Government Code, relating to state property, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

History:

Aug. 22 Read third time. Urgency clause adopted. Passed. (Ayes 64. Noes 14. Page 6809.) To Senate.

Aug. 11 Read second time. To third reading.

Aug. 8 From committee: Do pass. (Ayes 12. Noes 3.)

 $Aug.\ 5\ From\ committee:\ Do\ pass,\ but\ first\ be\ re-referred\ to\ Com.\ on\ APPR.\ (Ayes\ 7.$

Noes 2.) Re-referred to Com. on APPR.

Aug. 4 To Com. on B. & P. Joint Rule 62(a) file notice (Com. on B. & P.) suspended.

(Page 6177.) Assembly Rule 56 suspended. (Page 6177.) Joint Rule 62(a) file notice (Com. on APPR.) suspended. (Page 6177.)

July 14 Read second time. Amended. To third reading. Unanimous consent granted to consider without reference to file. Read third time. Urgency clause adopted. Passed. (Ayes 27. Noes 9. Page 4702.) To Assembly.

July 14 In Assembly. Read first time. Held at Desk.

July 10 From committee: Do pass as amended. (Ayes 12. Noes 2. Page 4663.)

July 1 Set for hearing July 7.

June 30 Hearing postponed by committee.

June 24 From committee with author's amendments. Read second time. Amended.

Re-referred to Com. on APPR. Set for hearing June 30.

May 22 Set, first hearing. Hearing canceled at the request of author.

May 20 Read second time. Amended. Re-referred to Com. on APPR. Set for hearing May 22

May 19 From committee: Do pass as amended, but first amend, and re-refer to Com.

on APPR. (Ayes 10. Noes 0. Page 3769.)

Apr. 29 Set for hearing May 13.

Apr. 22 Read second time. Amended. Re-referred to Com. on G.O.

Apr. 21 From committee: Do pass as amended, but first amend, and re-refer to Com.

on G.O. (Ayes 4. Noes 1. Page 3424.)

Apr. 7 Set for hearing April 15.

Apr. 1 Testimony taken. Hearing postponed by committee.

Mar. 10 Set for hearing March 1.

Mar. 6 To Coms. on AGRI. and G.O.

Feb. 25 Read first time.

Feb. 23 From print. May be acted upon on or after March 24.

Feb. 22 Introduced. To Com. on RLS. for assignment. To print.

<u>SB</u> 1678 (Florez) Debt management and settlement. (A-08/17/2008 httml/pdf)

Status: 08/28/2008-SEN. B., F. & I. Vote - From committee

Current Location: 08/27/2008-S B., F. & I.

Digest: Existing law, the Check Sellers, Bill Payers and Proraters Law, provides for licensure and regulation by the Commissioner of Corporations of persons engaged in, among other activities, the business of receiving money as an agent of the obligor for the purpose of paying bills, invoices, or accounts for the obligor.

The bill would enact the Debt Settlement Services Act and would, commencing July 1, 2009-January 1, 2009, provide for the licensing and regulation by the commissioner of providers, defined as persons who provide, offer to provide, or agree to provide debt settlement services, as defined, directly or through others. The bill would require a provider to submit specified fees and an application for licensure with the commissioner. An applicant who knowingly misrepresents or submits any material matter that is false, or who otherwise willfully violates a provision of the act, would be guilty of a misdemeanor. The bill would create the Debt Settlement Services Fund, which would be continuously appropriated for the purposes of administering the act, and would require all fees collected by the commission to be deposited in the fund. The bill would specify the conditions under which the commissioner may issue or deny licensure as a provider, would require renewal of a provider's license on an annual basis, and would require a provider to satisfy certain requirements before entering into an agreement with an individual for the provision of debt settlement services, including providing specified disclosures. The bill would require an agreement for debt settlement services to contain specified terms and would impose limits on the fees charged by providers. The bill would prohibit providers from engaging in specified practices. The bill would authorize the commissioner to take enforcement actions against a provider for violations of the bill's provisions and would also authorize an injured individual to recover specified damages from a provider that violates the bill's provisions. The bill would enact other related provisions.

Because the bill would create a new crime, it would impose a state-mandated local program.

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

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

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

Laws: An act to add Division 21 (commencing with Section 60000) to the Financial Code, relating to debt.

History:

Aug. 27 Re-referred to Com. on RLS. pursuant to Senate Rule 29.10. From committee: Be re-referred to Com. on B., F. & I. pursuant to Senate Rule 29.10. (Ayes 3. Noes 0.) Re-referred to Com. on B., F. & I.

Aug. 26 In Senate. To unfinished business.

Aug. 20 Read third time. Passed. (Ayes 63. Noes 12. Page 6737.) To Senate.

Aug. 18 Read second time. To third reading.

Aug. 17 Read second time. Amended. To second reading.

Aug. 15 From committee: Do pass as amended. (Ayes 7. Noes 2.)

Aug. 13 Joint Rule 62(a) file notice suspended. (Page 6446.)

Aug. 12 Read third time. Amended. To third reading. Re-referred to Com. On B. & F. pursuant to Assembly Rule 77.2.

Aug. 4 From Consent Calendar to third reading.

July 15 Read second time. To Consent Calendar.

July 14 From committee: Do pass. To Consent Calendar. (Ayes 15. Noes 0.)

June 26 From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 13. Noes 0.) Re-referred to Com. on APPR.

June 5 To Com. on G.O.

May 27 Read third time. Passed. (Ayes 38. Noes 0. Page 3927.) To Assembly.

May 27 In Assembly. Read first time. Held at Desk.

Apr. 15 Read second time. To third reading.

Apr. 14 From committee: Be placed on second reading file pursuant to Senate Rule 28.8.

Mar. 27 Set for hearing April 14.

Mar. 25 From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0. Page 3177.) Re-referred to Com. on APPR.

Mar. 19 Set for hearing March 25.

Mar. 13 To Com. on G.O.

Feb. 25 Read first time.

Feb. 24 From print. May be acted upon on or after March 25.

Feb. 22 Introduced. To Com. on RLS. for assignment. To print.

Organization

CARF

SB (Florez) Gambling licenses. (A-08/18/2008 html pdf)

Status: 08/25/2008-Hearing postponed by committee. (Refers to 8/22/2008 hearing) **Current Location**: 08/18/2008-A G.O.

Digest: The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law requires specified persons involved in those gambling activities to obtain and

maintain gambling licenses or key employee licenses issued by the commission. This bill would allow the holder of a gambling license or key employee license to petition-request the commission to place that license on an inactive status for no more than 3 years. The bill would prohibit a licensee, while his or her license is inactive, from working in or operating a gambling establishment enterprise pursuant to the inactive license , and would specify that inactive status does prohibit the commission from taking disciplinary action against a licensee. The bill would require a licensee, in order to place a license on inactive status and maintain that status, to pay to the commission, each year, 50% of the license fee that would be required for an active license-permit the commission to set a reduced annual fee for inactive licenses, and would require the commission to adopt regulations, as specified.

Existing law, until January 1, 2015, prohibits the commission from issuing a gambling license for a gambling establishment that was not licensed to operate on December 31, 1999, except as specified.

This bill would instead prohibit the commission from issuing a gambling license for a gambling establishment unless that establishment was licensed by the commission to operate on December 31, 2004, except as specified. The bill would require any application submitted to the commission after January 1, 2009, by a person eligible to apply for a gambling license for the purpose of reopening a closed establishment meeting that requirement to be accompanied by a copy of a current local license for that establishment or a certified copy of a resolution adopted by the local governing body indicating that it is prepared to issue a local license for that particular applicant to reopen the establishment.

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

Laws: An act to amend Section 19963 of, and to add Section 19851.5 to, the Business and Professions Code, relating to gambling.

History:

Aug. 22 Hearing postponed by committee.

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

Aug. 20 Joint Rule 62(a) file notice suspended. (Page 6752.)

Aug. 19 Joint Rule 62(a) file notice suspended. (Page 6680.)

Aug. 18 Read third time. Amended. (Page 6624.) Re-referred to Com. On G.O.

pursuant to Assembly Rule 77.2. Joint Rule 62(a) file notice suspended. (Page 6654.)

Aug. 4 From Consent Calendar to third reading.

July 15 Read second time. To Consent Calendar.

July 14 From committee: Do pass. To Consent Calendar. (Ayes 15. Noes 0.)

June 26 From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 13.

Noes 0.) Re-referred to Com. on APPR.

May 22 To Com. on G.O.

May 13 In Assembly. Read first time. Held at Desk.

May 12 Read third time. Passed. (Ayes 25. Noes 8. Page 3751.) To Assembly.

May 7 Read second time. To third reading.

May 6 From committee: Be placed on second reading file pursuant to Senate Rule 28.8

Apr. 28 Set for hearing May 5.

Apr. 21 Read second time. Amended. Re-referred to Com. on APPR.

Apr. 17 Joint Rule 62(a) file notice suspended. (Ayes 23. Noes 13. Page 3468.) From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 6. Noes 0. Page 3489.)

Apr. 14 From committee with author's amendments. Read second time. Amended. Re-referred to Com. on RLS. Re-referred to Com. on G.O. Set for hearing April 17 pending rules waiver.

Mar. 13 To Com. on RLS.

Feb. 25 Read first time.

Feb. 23 From print. May be acted upon on or after March 24.

Feb. 22 Introduced. To Com. on RLS. for assignment. To print.

Organization CARF

Total Position Forms: 15

Christopher Korby

From:

"Richard B. Shapiro" < richard@wincorealestate.com>

To:

"Chris Korby" <korby@calfairs.net>

Sent:

August 14, 2008 4:12 PM

Subject:

Meeting with NTRA

Chris:

On Friday August 22nd there will be a confidential meeting with the NTRA including a presentation by Alex Waldrop and Keith Chamblin regarding the national perception and issues affecting the Thoroughbred industry. I would suggest that you also plan to attend this meeting which will be held at 12:30 at or adjacent to Del Mar.

Please advise me if you are able to attend on behalf of CARF. RBS

Richard B. Shapiro

Winco Real Estate Services 5000 No. Parkway Calabasas Suite 210 Calabasas, California 91302 818-227-5555 (ph) 818-227-5550 (fax) richard@wincorealestate.com

www.wincorealestate.com

There will be a hand-out at the meeting.

Christopher Korby

From:

"Richard B. Shapiro" < richard@wincorealestate.com>

To:

"Craig Fravel" < Craig@dmtc.com>; < LibertyRDStables@aol.com>;

<johnharris@harrisfarms.com>; <fon.charles@santaanita.com>; "Drew Couto (E-mail)" <drew@deposet.com>;
"Chillingworth, Sherwood" <Sherwood.Chillingworth@santaanita.com>; "PMEG

Local280" <pmeg_local280@hotmail.com>; <jackliebau@yahoo.com>;

<korby@calfairs.net>; <eallred@losalamitos.com>;

<cgconsultinginc@yahoo.com>

Sent:

August 12, 2008 4:55 PM

Subject: Future of California Racing

As we all know, all segments of horse racing in California will be significantly impacted over the next few years due to a variety of circumstances. It appears that now is the time for the industry to identify its goals and objectives as we move forward. Unlike years past, the industry as a whole, not the individual stakeholders and participants, have to define what we want racing to be generally given the challenges we all face.

With this spirit in mind, I have had a series of informal discussions with some, and believe that we are all well served to sit face to face and try to begin to develop a strategic plan of how we can cooperatively and collectively move the industry forward. Towards this end, Jack Liebau will circulate to all of you a white paper that is intended to serve as a "thought provoker" in advance of our all getting together. You should be prepared to add, comment and share your views as well.

I would like for us to meet on August 22nd, at Del Mar at 10:00am. I am sure we will be able to find a suitable meeting place.

Lastly, my only desire in having this meeting is for us all to work together. We all have so much invested, be it financially, emotionally, or otherwise, it is time we all found a way to put forth an agenda of change and needs that can set us on a better course.

Please RSVP your willingness to attend this meeting. The number of invitees has purposely been limited in numbers as hopefully a smaller working group can make progress.

Regards to all. RBS

Richard B. Shapiro
Winco Real Estate Services
5000 No. Parkway Calabasas
Suite 210
Calabasas, California 91302
818-227-5555 (ph)
818-227-5550 (fax)
richard@wincorealestate.com
www.wincorealestate.com

Christopher Korby

From: "jack liebau" <jackliebau@yahoo.com>

To: "Craig Fravel" < Craig@dmtc.com>; < LibertyRDStables@aol.com>;

<johnharris@harrisfarms.com>; <fon.charles@santaanita.com>; "Drew Couto (E-mail)" <drew@deposet.com>;
"Chillingworth, Sherwood" <Sherwood.Chillingworth@santaanita.com>; "PMEG

Local280" <pmeg_local280@hotmail.com>; <korby@calfairs.net>;

<eallred@losalamitos.com>; <cgconsultinginc@yahoo.com>; "Richard B.

Shapiro" < richard@wincorealestate.com>

Cc: "Bernie Thurman" <bthurman@baymeadows.com>

Sent: August 13, 2008 10:57 AM Subject: Re: Future of California Racing

To: Interested Parties
From: Jack Liebau

From: Jack Liebau Date: August 13, 2008

Nationally, racing is at a tipping point. The fortunes of racing can go either way.

In California, it will depend on how the stakeholders in the Industry and the State address the situation. It may be fortunate that California finds itself in a situation where changes are not only inevitable, but imminent. If California acts decisively, its racing industry can be righted. However, nothing positive will happen unless the entire Industry (every segment, including Organized Labor) moves ahead in a cooperative and united fashion.

With the closure of Bay Meadows and the probable closure of Hollywood Park in the foreseeable future, racing in California has a unique opportunity to restructure itself. In the past, the five major racing venues (thoroughbred only) needed a given number of racing days in order to assure their economic survival. As racing venues and their stabling facilities become unavailable for racing and training, it will no longer be necessary for the annual racing calendar to include as many live racing days as has been historically the case. That is, a lesser number days than now exist in the racing calendar could be allocated among the remaining tracks, and in doing so, each of the remaining tracks could be allocated more racing days than they now have. By each of the remaining tracks having more racing days than is now the case, their profitability would be increased.

Besides the need for the California industry to embrace the restructuring opportunities, racing's underlying problems, both nationally and locally in California, must be identified, acknowledged and reacted to in a proactive manner.

State of Racing

Since the 1980's, racing's popularity has been waning. While handle has been more or less static since 2000, it has remained so only through growth in the less rewarding sectors of wagering, which include rebate shops. The problem is that the on-track handle is most profitable and such handle has been moving off-track to simulcast outlets, rebate shops and account wagering platforms.

In Southern California, the declining interest in racing is amply demonstrated by the Los Angeles Times discontinuing coverage of racing, including even the publication of entries and results. In addition, a

recent report shows wagering plummeting 11% nationally during the six weeks following the 2008 Belmont Stakes which is disturbing, especially if the decline is attributable to the Eight Belles tragedy, integrity perception issues and health and safety issues.

Racing is viewed as having major problems that must be addressed. Besides racing being possibly impacted by a generational problem in that the younger population is drawn to a quicker pace of events and instant gratification, racing has other problems that are now of more concern than in the past to both its core fans and the general public.

Any feeling that there is widespread cheating must be countered; otherwise, there will be long term damage to the sport. A recent National Survey found that fans believe racing is in "a slow and steady spiral downward. They see racing losing its integrity by the day and seriously challenged on two different fronts: a) performance enhancing drugs and b) safety and welfare".

While racing, on a national basis, is suffering from a perceived serious drug problem, California has been a leader in prohibiting and testing for performance enhancing drugs and establishing limitations on the use of therapeutic drugs. There are those that believe racing should be "drug free". There are others that believe the use of therapeutic drugs is in the best interest of the horse and, in the absence of therapeutic drugs, horses would not be able to race as often. The problem, of course, is how racing can overcome the perceived problem associated with drugs, per se, by differentiating good drugs from bad ones. This issue is complex and difficult to explain to the general public, a challenge that racing must address.

Status of Racing in California

California's national prominence in racing is being threatened by the introduction in some states of other forms of gaming that augment purses. Higher purse levels in other states have and will continue to cause an exodus of horses from California. Even in New York, a state that does not yet have VLT's, but soon will, the purse for a maiden allowance race at Saratoga is \$63,000 compared to \$53,000 at Del Mar. Additional revenue must be generated for California purses, not only for California to remain competitive with tracks in other states, but also in order to cover the escalating costs owners are incurring in connection with the training of their horses. In Southern California, the average cost to keep a horse in training is probably \$3,000 a month.

Thoroughbred purses statewide in California have increased from \$127 Million in 1997 to \$150 Million in 2007, an increase of 18%, while training costs have probably more than doubled. If ownership of a horse is not made financially more attractive, the available horse population will continue to shrink.

The closure of Bay Meadows and the possible closure in the foreseeable future of Hollywood Park result from the increasing value of the real property on which these facilities are situated as well as the decline in their profitability as racing venues. In order to forestall the closure of other California tracks, the profitability of the remaining tracks must be increased. Additional profitability is not only needed to assure their continued operation, but also to justify investment in their physical plants, plants that suffer from deferred maintenance and the need for them to become more user-friendly.

It should be noted that the ownership of both Santa Anita and Golden Gate Fields have encountered significant financial problems. Reportedly, Golden Gate Fields is for sale, as is a majority interest in Santa Anita.

The apparent decline in the popularity of racing in California may, in part, be attributable to the racing product being offered; shorter fields and a lesser quality of racing.

Southern California

Over the years, the average daily on-track handle at Santa Anita and Hollywood Park has declined. In 1997, the average daily on-track handle on live days at Santa Anita and Hollywood Park (Spring-Summer) was \$2,524,155, and \$2,295,740, respectively, compared to \$1,926,668 and \$1,532,940, respectively, in 2008. In 2007, on-track handle represented only 16.68% of the total Southern California handle on thoroughbred races hosted in Southern California. The shifting of handle away from on-track facilities has been a detrimental development.

If and when Hollywood Park, a plant that serves the highly populated Southern California area know as the South Bay and Westside, closes, Southern California will lose a facility that in 2007, generated \$37.7 Million for purses on races hosted while it conducted live racing (33.5% of Southern California purses) and \$6.5 Million for purses when operating as a satellite (5.8% of Southern California purses).

While it is anticipated that there will be an off-track wagering facility included in the new mixed-use development at Hollywood Park, it is likely to be significantly smaller than the existing facility and, thereby, generate substantially less handle. The possible closing of Hollywood Pak will also result in it being unavailable as a training facility, a facility that some considered the best in Southern California. Unless Hollywood Park is replaced with a comparable training facility, there could be a migration of some horses and trainers to out-of-state tracks.

Northern California

In Northern California, on-track handle in 2007 represented only

14.78% of the total handle. The 2007 average daily on-track attendance at Bay Meadows and Golden Gate Fields was 3,057 and 2,483, respectively. At the 2008 Solano County Fair, the average daily ontrack attendance was 698, and both Bay Meadows and Golden Gate Fields each wagered 150% more, as off-track facilities, than was handled on-track at the Solano facility.

The closure of Bay Meadows will not only result in Northern California's loss of the largest purse generating facility (42.2% as a live facility and 7.5% as a simulcast facility), but also, what some consider to be the best training facility. If Bay Meadows is not replaced with a comparable training facility, owners and trainers may move their horses to Southern California or out-of-state venues. It is unlikely that the facilities to which Bay Meadows' dates are moved will be able to generate as much purse money as Bay Meadows did in the past.

The satellite facility replacing Bay Meadows is half the size of Pleasanton's facility, which historically has done about half the business of Bay Meadows. Since the new facility will not be completed, as promised, when Bay Meadows closes, there will not be a seamless transition of clientele from one facility to another.

It is doubtful that this new facility will ever be able to generate the same purse revenue as Bay Meadows; probably, will generate substantially less. Because the new facility will lack many of the amenities offered by Bay Meadows, it is possible that customers will become disenchanted and lose interest in wagering on racing.

After the closure of Bay Meadows, Golden Gate Fields will be the cornerstone of racing in Northern California. While the development of Golden Gate Fields would be subject to its future zoning being approved by citywide elections in both Albany and Berkeley, it should be recognized that Golden Gate Fields is situated on a prime site for development. If Golden Gate Fields became unavailable as a racing venue, there is a serious question as to whether racing in Northern California could survive in its present form.

Over the last few years, Northern California trainers have been successfully transitioning their horses

from Northern California to the Southern California circuit. Such Northern California stalwarts as Hollendorfer, Sherman, Korner, Morey and Moger are now running more and more of their horses in Southern California. These trainers and their horses have not been replaced in Northern California.

Before a significant investment is made in new facilities in Northern California, there needs to be a careful examination of the net revenue that will be generated through Northern California racing. Any such examination should recognize that less revenue will be generated as a result of the closure of Bay Meadows as a racing and simulcast venue. Also, some judgment (possibly assurance) must be made as to the ongoing availability of Golden Gate Fields as a racing venue.

California Breeding Industry

California racing is highly dependant upon California bred horses, somewhere around 55% of the horses starting in California are bred in the state. The annual decline in the California foal crop does not bode well for the continuation of the length of the current California racing calendar. The foal crop has declined from approximately 3,900 in 2003 to around 3,100 in 2007, and may be less than 3,000 in 2008. Nationally, the foal crop has remained pretty much constant (2003 – 33,965; 2007 – 34,350; 2008 – 34,350). Foal crops in states, such as New Mexico, Louisiana, New York and Pennsylvania, that have, or are going to have revenue from alternative gaming, have increased substantially.

The average sale price of a yearling at the 2007 California Yearling Sale at Barrett's was \$19,938, with a median price of \$11,000, compared to \$25,362 and \$16,000 the year before. At the 2007 Northern California CTBA Yearling Sale, the average sales price was \$5,839 and the median was \$4,000. Nationally, in 2007, the average sales price of a yearling was \$55,300 with a median of \$15,000. The declining foal crop and prices being paid for yearlings in California reflects the deterioration of California's breeding industry which is further evidenced by the closing of a number of farms throughout the state. Sooner or later, this deterioration, unless corrected, will dramatically impact the horse population available for racing in California.

Increased Purses Through Less Live Racing

If there was less live racing, it seams logical to assume that field size would increase and that, in turn, should generate additional purse funds on a per race basis. Additional purse funds could be also generated through simulcasting on those days on which live racing is no longer conducted. The spreading of purse funds generated through both live and simulcasting racing, over fewer races, should increase the daily average purses. Core fans, as well as the general public, are likely to respond favorably to less racing because less racing should result in larger fields, and the limited number of days would become more special.

Since there is a school of thought that shorter meets are better than longer ones, consideration should be given to a venue conducting meets a couple of times a year, rather than only one for an extended period of time. Shorter, or split meets, allow on-track fans a respite between meets.

Preservation of Racing Venues

Since a substantial portion of costs incurred by a live racing enterprise are fixed, there is a significant increase in profitability when these fixed costs are spread over additional racing days. Thus, the profitability of the remaining tracks can be increased if some, but not all, of the dates historically operated by a closed track were spread among each of the remaining tracks. Because of the substantial profits derived from each additional day of racing, the remaining tracks should be obligated to allocate a portion of their incremental profits resulting from extra race days to improvement of their physical plants. The improvement of the physical plants, hopefully, will stimulate attendance that, in turn, will favorably impact purses, the backbone of a healthy racing industry.

Safety and Welfare of the Horse

California cannot be faulted for not demonstrating concern for the safety and welfare of the horse. Whether one agrees or not with the mandate for synthetic tracks, the mandate was made out of concern for the welfare and safety of the horse. The same is true with respect to the prohibition and testing for performance enhancing drugs and the establishment of limitations on the use of therapeutic drugs. Both the core fans and the general public should be made aware of this concern for the horse in order to counter any perception to the contrary.

Even though some breakdowns are inevitable, it is thought by many that drugs are a contributing factor to breakdowns. It has gotten to the point where the general public is no longer willing to accept

breakdowns as part of the game. Unfortunately, drugs are viewed by many as evidence of a lack of concern for the horse, after all, the horse, unlike a human, does not make a conscious decision to take a drug. In the eyes of the general public, drugs are associated with "cheating". The drug issue is undermining the positive perception of integrity of racing. Consideration must be given to the prohibition of all race day medication or in the alternative, better race day surveillance of horses.

Consideration should also be given to the carding of more two-turn races as there is a feeling that route races are easier on horses than sprints. If route races were thought to be beneficial, they could be encouraged through higher purses than for sprint races.

Increased Distribution Needed to Generate Higher Purses and Stimulate Interest in Racing California simulcast network needs to be expanded. At present, there are 16 facilities in Southern California and 17 facilities in Northern California where one can physically place a wager. While legislation has been enacted providing for the establishment of mini-satellites, it appears that the business model for such satellites is flawed.

In order to bring racing to the populace, wagering needs to be available in such places as Shopping Centers, Sports Bars and Country Clubs. With a slight tweaking of the law, it is possible that this expansion of statewide Simulcasting could be accomplished under the existing account wagering law. By making wagering more assessable to the general public, racing's popularity is likely to increase with a corresponding increase in the level of purses.

New Wager

Racing is in need of a new wager that will be easy to make or pick, such as a lottery ticket, that will result in a "change of life" payoff. Such a wager would not only contribute to handle, but stimulate interest in racing.

Make Ownership of Cal-Breds More Profitable

The dynamics of the California breeding industry must be changed. Even though the California Stallion Roster and the quality of the California bred horse has dramatically improved, the ownership of a Calbred must be made more profitable. There are those that have maintained in the past that no break should be given to Cal-breds. The problem, of course, is that pretty soon the Kentucky breds in California will not have anybody to run against. The ownership of a Cal-bred can be made more attractive by increasing the maiden purse levels, especially in restricted races for Cal-breds. At present levels, the amount invested in a Cal-bred that gets to the races, say a maiden claiming race, is sometimes more than the claiming price. Purses and claiming prices go hand in hand. While carding more restrictive races for Cal-breds would be helpful, the problem is that, unlike in New York where there are more state bred restricted races, Cal-breds are needed to fill the open races. Recently, proposed legislation making a California sired horse eligible for Cal-bred restricted races will, no doubt, be helpful. The incentives to breed and race a Cal-Bred must be revisited and enhanced in order for there to be a sufficient horse population to sustain meaningful racing.

--- On Tue, 8/12/08, Richard B. Shapiro < richard@wincorealestate.com > wrote:

From: Richard B. Shapiro <richard@wincorealestate.com>
Subject: Future of California Racing
To: "Craig Fravel" <Craig@dmtc.com>, LibertyRDStables@aol.com,
johnharris@harrisfarms.com, preddam@cashcall.com, Ehalp@aol.com,
ron.charles@santaanita.com, "Drew Couto (E-mail)" <drew@deposet.com>, "Chillingworth,

Sherwood" <Sherwood.Chillingworth@santaanita.com>, "PMEG Local280" <pmeg_local280@hotmail.com>, jackliebau@yahoo.com, korby@calfairs.net, eallred@losalamitos.com, cgconsultinginc@yahoo.com
Date: Tuesday, August 12, 2008, 4:55 PM

As we all know, all segments of horse racing in California will be significantly impacted over the next few years due to a variety of circumstances. It appears that now is the time for the industry to identify its goals and objectives as we move forward. Unlike years past, the industry as a whole, not the individual stakeholders and participants, have to define what we want racing to be generally given the challenges we all face.

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I would like for us to meet on August 22nd, at Del Mar at 10:00am. I am sure we will be able to find a suitable meeting place.

Lastly, my only desire in having this meeting is for us all to work together. We all have so much invested, be it financially, emotionally, or otherwise, it is time we all found a way to put forth an agenda of change and needs that can set us on a better course.

Please RSVP your willingness to attend this meeting. The number of invitees has purposely been limited in numbers as hopefully a smaller working group can make progress.

Regards to all. RBS
Richard B. Shapiro
Winco Real Estate Services
5000 No. Parkway Calabasas
Suite 210
Calabasas, California 91302
818-227-5555 (ph)
818-227-5550 (fax)
richard@wincorealestate.com
www.wincorealestate.com



916 263 33°

August 8, 2008

Dear Horsemen,

The 2008 Race Meeting at Fairplex Park is just around the corner and we he you are making plans to join us. As in previous years, to encourage ye participation at our race meet and to offset expenditures, Fairplex will assist paying for shipping to the Los Angeles County Fair.

This year there is a new policy with regard to shipping. It is as follows:

- Fairplex will pay the rates on the attached sheet. You may choose the vicempany you wish to use, however the difference in price is you responsibility.
- Horses must be identified as approved for stalls, in the body of a race, nominated to a stake prior to shipping. Please contact Nancy Tripp, Sta Superintendent at 909-865-4530 to receive confirmation that your horse shipping will be paid for. The stable office will require:
 - The name of the licensed trainer with stalls at Fairplex or race(s) to which the horse(s) will run. If stabling at Fairplex, horse must have been approved for stalls by the racing secretary
 - o The name of the horse(s)
 - o The name of the van company used for shipping

We are looking forward to another successful meet at the LA County Fair a hope you can be a part of it.

See you in Septemberl

Sincerely,

Paul Ryneveld Equine Manager Fairplex Park



Van Rates

1. Golden Gate / Bay Meadows/ Vallejo / Pleasanton to Fairplex

a. Single Horse: \$225

b. Van Load: \$1800

2. Cal Expo to Fairplex

a. Single Horse: \$300

b. Van Load: \$1800

3. Fresno to Fairplex

a. Single Horse: \$185

b. Van Load: \$2250

4. Yavapai to Fairplex

a. Single Horse: \$400

b. Van Load: \$2950