

Assembly Bill No. 2338

CHAPTER 1063

An act to amend Section 19549.14 of, and to add Section 19605.45 to, the Business and Professions Code, relating to satellite wagering, and making an appropriation therefor.

[Approved by Governor September 29, 2002. Filed with Secretary of State September 29, 2002.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2338, Papan. Satellite wagering.

Existing law provides for and regulates satellite wagering by eligible county fairs subject to specified conditions, if approved by the Department of Food and Agriculture and the California Horse Racing Board. Fairs in certain counties have separate authorizations to operate satellite facilities.

This bill would authorize the San Mateo County Fair to operate a satellite wagering facility on the fairgrounds or on leased premises in San Mateo County, if the racing association licensed in the year 2002 to conduct thoroughbred race meetings there is not so licensed in any subsequent year, and if approved by the board, as specified. This satellite racing facility would be required to make specified distributions to the same beneficiary that received those distributions in 2002 from the San Mateo County Fair and the racing association licensed in 2002 to conduct thoroughbred race meetings in San Mateo County.

Existing law provides for the San Mateo County Fair to conduct races with board approval at any location if Bay Meadows closes.

This bill would specify that if the racing association licensed in the year 2002 to conduct a thoroughbred race meeting there is not licensed to do so in any subsequent year, the fair could conduct its racing dates at a facility operated by a thoroughbred racing association or fair licensed to conduct a meeting in the northern zone, as specified.

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 the amount of continuously appropriated license fees, thereby making an appropriation. The bill would also authorize the imposition of a state tax for the purposes of Article XIII A of the California Constitution, and



thus would require for passage the approval of $\frac{2}{3}$ of the membership of each house of the Legislature.

Appropriation: yes.

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

SECTION 1. Section 19549.14 of the Business and Professions Code is amended to read:

19549.14. (a) Notwithstanding, Section 19489 or any other provision of this chapter, the board may permit the San Mateo County Fair to conduct live racing meetings at another site within or outside San Mateo County if its present site, Bay Meadows, closes.

(b) Live horse racing meetings conducted by the San Mateo County Fair, whether they are conducted within or outside of San Mateo County, shall be subject to the same provisions as are presently applicable to the San Mateo County Fair's conduct of live horse racing meetings at Bay Meadows.

(c) If the racing association licensed in the year 2002 to conduct thoroughbred race meetings in San Mateo County is not licensed to conduct a horse racing meeting in that county in any subsequent year, the San Mateo County Fair may, subject to the approval of the board, conduct its racing dates at a facility operated by a thoroughbred racing association or fair licensed to conduct a meeting in the northern zone.

SEC. 2. Section 19605.45 is added to the Business and Professions Code, to read:

19605.45. (a) Notwithstanding Section 19605, 19605.1, 19605.35, or any other provision of this chapter, if the racing association licensed in the year 2002 to conduct thoroughbred race meetings in San Mateo County is not licensed to conduct a horse racing meeting in that county in any subsequent year, the board may authorize satellite wagering in San Mateo County only as provided in this section:

(1) The board may authorize a satellite wagering facility to be located either on the fairgrounds of the San Mateo County Fair or on leased premises within the City of San Mateo. The facility may be operated by the fair or the fair may contract for the operation and management of that satellite wagering facility with an individual racing association or fair, or a partnership, joint venture, or other affiliation of two or more racing associations or fairs. The board may license a facility to the San Mateo County Fair pursuant to this section notwithstanding the mileage restrictions contained in Section 19605 or any other provision of this chapter to the contrary.

(2) Satellite wagering facilities licensed to the fair pursuant to this section are subject to the provisions of subdivisions (a) to (e), inclusive,



of Section 19605.3, except that they shall not be subject to the provisions of paragraph (3) of subdivision (a) of Section 19605.3 or any other impact fee or charge.

(3) Distributions pursuant to subdivision (d) of Section 19605.7, and Sections 19610.3 and 19610.4 made by a satellite wagering facility licensed to the fair pursuant to this section shall be to the same beneficiary that received those distributions in the year 2002 from the San Mateo County Fair and the racing association licensed in the year 2002 to conduct thoroughbred race meetings in San Mateo County.

