

AMENDED IN ASSEMBLY APRIL 11, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 765

Introduced by Assembly Member Evans

February 22, 2007

An act to add Section 19601.4 to the Business and Professions Code, relating to horse racing, *and making an appropriation therefor*, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

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

Existing law requires fairs and racing associations to pay a certain percentage of the handle from races to be paid to the state as license fees.

This bill would provide that ~~in the northern zone~~, certain fairs or associations, or combined entities ~~shall~~ *may be required* to pay an additional 1% of the handle to the state, to be used to ~~construct or acquire for maintenance and improvements at a fair's racetrack inclosure or satellite wagering facility, or for acquiring property to construct a racetrack inclosure.~~ *The money raised would be deposited into the Inclosure Facilities Improvement Fund, a continuously appropriated fund created by the bill, thereby making an appropriation. The bill would authorize the Secretary of Food and Agriculture to appoint a committee to advise on the administration of the funds raised pursuant to the provisions of the bill, and would require the secretary to report any allocations made pursuant to those provisions of the bill, as specified.*

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

This bill would take effect immediately as a tax levy.

Vote: $\frac{2}{3}$. Appropriation: ~~no~~-yes. Fiscal committee: yes.
 State-mandated local program: no.

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

1 SECTION 1. Section 19601.4 is added to the Business and
 2 Professions Code, to read:

3 19601.4. (a) Notwithstanding any other provision of law, ~~in~~
 4 ~~the northern zone, a fair a fair, combination of fairs, or an~~
 5 ~~association conducting thoroughbred racing, quarter horse racing,~~
 6 ~~harness racing, or mixed breed racing at a fair-owned racetrack~~
 7 ~~inclosure, or a fair or an entity formed for conducting combined~~
 8 ~~fair horse racing meetings which conducts thoroughbred, quarter~~
 9 ~~horse, harness or mixed breed racing at a racetrack inclosure not~~
 10 ~~owned by a fair, shall racing at a fair, may, after notifying the~~
 11 ~~board, deduct an additional 1 percent of the handle, to be paid to~~
 12 ~~the state as a license fee. The license fees paid pursuant to this~~
 13 ~~section shall be deposited in the Racing Facility Improvement~~
 14 ~~Fund, which Inclosure Facilities Improvement Fund, which is~~
 15 ~~hereby created. Notwithstanding Section 13340 of the Government~~
 16 ~~Code, funds derived pursuant to this section shall be used solely~~
 17 ~~for the purpose of constructing or acquiring facilities maintenance~~
 18 ~~and improvements at a fair’s racetrack inclosure or satellite~~
 19 ~~wagering facility, or for acquiring real property for the purpose of~~
 20 ~~constructing a racetrack inclosure..~~

21 (b) *The secretary shall adhere to the same oversight*
 22 *responsibilities as outlined in Section 19620 when administering*
 23 *the funds generated by this section.*

24 (c) *The secretary may appoint a committee of not more than*
 25 *five and no fewer than three individuals with expertise in financing,*
 26 *constructing, and managing horse racing facilities, to advise in*
 27 *the administration of the funds.*

28 (d) *The secretary shall include in the annual expenditure plan*
 29 *required pursuant to Section 19621 any allocations made pursuant*
 30 *to this section.*

31 (e) *The Inclosure Facilities Improvement Fund shall be*
 32 *administered by the Secretary of Food and Agriculture.*

1 SEC. 2. This act provides for a tax levy within the meaning of
2 Article IV of the Constitution and shall go into immediate effect.

O