

AMENDED IN SENATE JUNE 18, 2008

AMENDED IN ASSEMBLY APRIL 9, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1289

Introduced by Assembly Member Price

February 23, 2007

An act to amend Section ~~19604~~ 19601.2 of the Business and Professions Code, relating to horse racing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1289, as amended, Price. ~~Advance deposit wagering: out-of-state providers. Fairs: wagering: out-of-zone, out-of-state, and out-of-country races.~~

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 advance deposit wagering to be conducted, with the approval of the California Horse Racing Board. Under existing law, advance deposit wagering is defined as a form of parimutuel wagering in which a person residing within California or outside of the state establishes an account with a licensee, board-approved betting system, or multijurisdictional wagering hub located within California or outside of the state.~~

~~This bill would remove from that definition, and from all provisions related to the authorization of advance deposit wagering, the reference to a multijurisdictional wagering hub located outside of the state.~~

~~Under existing law, in order for a licensee, betting system, or multijurisdictional wagering hub to be approved by the board to conduct advance deposit wagering, it must meet certain requirements.~~

~~This bill would add to those requirements that the employees who operate and administer the advance deposit wagering on a daily basis shall work in California.~~

~~Existing law requires the California Horse Racing Board to adopt rules to license and regulate all phases of operation of advance deposit wagering for licensees, betting systems, and multijurisdictional hubs located in California.~~

~~This bill would require the rules adopted by the board to include a requirement that employees represented in the same or similar classifications be employed at a ratio of one employee for every \$20,000 in wagers handled by those licensees, betting systems, and multijurisdictional hubs.~~

~~Existing law specifies how the amount received as a market access fee from advance deposit wagers shall be distributed.~~

~~This bill would require that a specified amount of that fee be used to establish and administer a defined contribution retirement plan for California jockeys, as specified.~~

~~Under existing law, the provisions relating to advance deposit wagering will be repealed on January 1, 2008.~~

~~This bill would delay the repeal date until January 1, 2011.~~

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

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

- 1 *SECTION 1. Section 19601.2 of the Business and Professions*
- 2 *Code is amended to read:*

1 19601.2. (a) During calendar periods when the San Mateo
2 County Fair, or other fair or thoroughbred association, and the
3 Humboldt County Fair simultaneously conduct race meetings *in*
4 *the northern zone*, the San Mateo County Fair, or other fair or
5 thoroughbred association, shall be the association authorized to
6 distribute the signal and accept wagers on out-of-zone, out-of-state,
7 and out-of-country races if it complies with the conditions specified
8 in subdivision (a) of Section 19601. The amounts deducted from
9 these wagers shall be distributed as provided in Section 19601,
10 and license fees on races conducted by the Humboldt County Fair
11 and on out-of-zone, out-of-state, or out-of-country races shall be
12 as specified in subdivision (h) of Section 19601. Additionally,
13 from, and to the extent of, license fees generated from the total
14 handle of the San Mateo County Fair, or other fair or thoroughbred
15 association, during the overlap, the San Mateo County Fair, or
16 other fair or thoroughbred association, shall distribute to the
17 Humboldt County Fair, not less than seven days after the close of
18 the racing meeting, an amount equal to 0.75 percent of the
19 out-of-zone, out-of-state, and out-of-country handle. From the
20 amount remaining, if any, 50 percent shall be retained by the San
21 Mateo County Fair, *or other fair or thoroughbred association*, to
22 be distributed equally as commissions and purses, and 50 percent
23 shall be paid to the state as a license fee.

24 (b) During calendar periods when the Fresno District Fair and
25 any thoroughbred association in the northern zone both conduct
26 race meetings, the thoroughbred association shall be the association
27 authorized to distribute the signal and accept wagers on
28 out-of-zone, out-of-state, and out-of-country races, if it complies
29 with the conditions specified in subdivision (a) of Section 19601.
30 The amounts deducted from these wagers shall be distributed as
31 provided in Section 19601, and license fees on races conducted
32 by the Fresno District Fair and on out-of-zone, out-of-state, or
33 out-of-country races shall be as specified in subdivision (h) of
34 Section 19601. Additionally, from, and to the extent of, license
35 fees generated from the total handle of the thoroughbred association
36 during the overlap, the thoroughbred association shall distribute
37 to the Fresno District Fair, not less than seven days after the close
38 of the racing meeting, an amount equal to 0.75 percent of the
39 out-of-zone, out-of-state, and out-of-country handle. From the
40 amount remaining, if any, 50 percent shall be retained by the

1 thoroughbred association to be distributed equally as commissions
2 and purses, and 50 percent shall be paid to the state as a license
3 fee.

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**All matter omitted in this version of the bill
appears in the bill as amended in Assembly,
April 9, 2007. (JR11)**

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