

AMENDED IN ASSEMBLY APRIL 9, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2048**

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**Introduced by Assembly Member Silva**

February 19, 2008

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An act to amend Section ~~19533~~ 19596.1 of the Business and Professions Code, relating to horse racing, *and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2048, as amended, Silva. Horse racing: ~~thoroughbred racing.~~ harness or quarter horse races: *out-of-state or out-of-country.*

*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.*

*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.*

~~Existing law gives the California Horse Racing Board the authority to regulate horse racing and parimutuel wagering on horse races in California. Existing law generally requires that any license granted to an association other than a fair shall be for only a single type of racing, except that the board may authorize the participation of thoroughbred and Appaloosa horses in quarter horse races subject to specified conditions. Existing law also provides that any association licensed to conduct quarter horse racing may apply to the board for, and be granted, the authority to conduct thoroughbred racing as part of its racing program, provided that specified conditions are met, including, among others, that the thoroughbred races are for a claiming price of not more than \$5,000.~~

~~This bill would increase the claiming price to not more than \$8,000.~~

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

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

1     SECTION 1. Section 19596.1 of the Business and Professions  
2     Code is amended to read:

3     19596.1. (a) Notwithstanding any other provision of law, the  
4     board may authorize a harness or quarter horse association  
5     conducting a race meeting to accept wagers on the results of  
6     out-of-state or out-of-country harness or quarter horse races and,  
7     with the board’s approval and with the concurrence of the  
8     horsemen’s organization contracting with the association, other  
9     designated harness or quarter horse races during the period it is  
10    conducting the racing meeting, if all of the following conditions  
11    are met:

12    (1) The authorization complies with federal laws, including, but  
13    not limited to, Chapter 57 (commencing with Section 3001) of  
14    Title 15 of the United States Code.

15    (2) Wagering is offered only within the racing inclosure and  
16    only within 36 hours of the running of the out-of-state feature race.

17    (3) The association conducts at least seven live races, and  
18    imports not more than ~~six~~ *eight* races on those days during a racing  
19    meeting when live races are being run, except as provided in  
20    subdivision (b).

21    (4) If only one breed of horse specified in this section is being  
22    raced on a given day, then the association conducting the live

1 racing may import those races which would otherwise be simulcast  
2 by the association which is not racing, provided that the total  
3 number of harness or quarter horse races imported in a calendar  
4 year does not exceed the number of night races imported in 1998  
5 after 5:30 p.m. After the usual deductions, including the portion  
6 for the racing association, the portion remaining for purses from  
7 these races shall be distributed equally for purses for harness  
8 horsemen and quarter horse horsemen.

9 (5) No quarter horse or harness racing association shall accept  
10 wagers on out-of-state or out-of-country quarter horse or harness  
11 races commencing before 5:30 p.m., Pacific standard time, without  
12 the consent of any thoroughbred association or fair that is then  
13 conducting a live racing meeting in this state.

14 (b) An association that is authorized to import races pursuant  
15 to subdivision (a) may, at its sole discretion, import fewer than the  
16 maximum number of harness or quarter horse races authorized in  
17 paragraph (3) of subdivision (a). For up to two races per night, for  
18 each race that is not imported under the maximum authorized by  
19 paragraph (3) of subdivision (a) on a particular night of racing, the  
20 association may add a race to the number of races allowable under  
21 the maximum authorization on another night of racing. However,  
22 no more than two races may be added under this subdivision to  
23 the number allowable on a single night, and the total number of  
24 imported races over a calendar year may not exceed the total  
25 number of imported races authorized pursuant to paragraphs (3)  
26 and (4) of subdivision (a).

27 ~~SECTION 1. Section 19533 of the Business and Professions~~  
28 ~~Code is amended to read:~~

29 ~~19533. (a) Any license granted to an association other than a~~  
30 ~~fair shall be only for one type of racing, thoroughbred, harness, or~~  
31 ~~quarter horse racing as the case may be, except that the board may~~  
32 ~~authorize the entering of thoroughbred and Appaloosa horses in~~  
33 ~~quarter horse races at a distance not exceeding five furlongs at~~  
34 ~~quarter horse meetings, mixed breed meetings, and fair meetings.~~  
35 ~~If the board authorizes the entering of thoroughbred or Appaloosa~~  
36 ~~horses in quarter horse races, the following conditions shall be~~  
37 ~~met:~~

38 ~~(1) Any race written for participation by quarter horses,~~  
39 ~~Appaloosas, and thoroughbreds shall be written as quarter horse~~  
40 ~~preferred.~~

- 1     ~~(2) The number of races written as quarter horse preferred at a~~  
2     ~~distance exceeding 870 yards shall not exceed more than three~~  
3     ~~races per program without the consent of the quarter horse~~  
4     ~~horsemen's organization contracting with the association.~~
- 5     ~~(3) More than one-half of the races on any program shall be for~~  
6     ~~quarter horses at a distance not to exceed 550 yards, unless the~~  
7     ~~consent of the quarter horse horsemen's organization is received.~~
- 8     ~~(4) Mixed races with Appaloosa and quarter horses may only~~  
9     ~~be written with the consent of the quarter horse horsemen's~~  
10    ~~organization contracting with the association.~~
- 11    ~~(5) Thoroughbreds shall constitute less than half the number of~~  
12    ~~horses in these races although an exception may be granted on a~~  
13    ~~race-to-race basis with the consent of the quarter horse horsemen's~~  
14    ~~organization contracting with the association.~~
- 15    ~~(b) The association that conducts the meeting shall pay to a~~  
16    ~~thoroughbred trainers' organization an amount for a pension plan~~  
17    ~~for backstretch personnel to be administered by that trainers'~~  
18    ~~organization equivalent to 1 percent of the amount available to~~  
19    ~~thoroughbred horses for purses. The remainder of the portion shall~~  
20    ~~be distributed as purses. Any redistributable money paid to the~~  
21    ~~board pursuant to Section 19641, which is paid to a welfare fund~~  
22    ~~established by a horsemen's organization from races with both~~  
23    ~~thoroughbred and quarter horses, shall be divided pro rata between~~  
24    ~~the two welfare funds based on the number of thoroughbreds and~~  
25    ~~quarter horses in the race.~~
- 26    ~~(c) (1) Notwithstanding any other provision of law, any~~  
27    ~~association licensed to conduct quarter horse racing may apply to~~  
28    ~~the board for, and the board shall grant, authority to conduct~~  
29    ~~thoroughbred racing as part of its racing program if all of the~~  
30    ~~following conditions are met:~~
- 31    ~~(A) The thoroughbred races are for a claiming price of not more~~  
32    ~~than eight thousand dollars (\$8,000), and at a distance of four and~~  
33    ~~one-half furlongs or less. The races may not be stakes, allowance~~  
34    ~~races, or maiden allowance races.~~
- 35    ~~(B) More than one-half of the races on any program shall be for~~  
36    ~~quarter horses at a distance not to exceed 550 yards, unless the~~  
37    ~~consent of the quarter horse horsemen's organization is received.~~
- 38    ~~(C) The consent of the quarter horse horsemen's organization~~  
39    ~~contracting with the association is obtained with respect to the~~  
40    ~~inclusion of thoroughbred racing.~~

1     ~~(2) The quarter horse racing association conducting~~  
2 ~~thoroughbred racing pursuant to this subdivision shall pay to a~~  
3 ~~quarter horse horsemen's organization the amount specified in~~  
4 ~~subdivision (e) of Section 19613, and an amount for a pension~~  
5 ~~plan for backstretch personnel to be administered by a~~  
6 ~~thoroughbred trainers' organization equivalent to 1 percent of the~~  
7 ~~amount available to thoroughbred horses for purses. The remainder~~  
8 ~~of the portion shall be distributed as purses. The quarter horse~~  
9 ~~racing association shall also deduct the appropriate amount to~~  
10 ~~comply with subdivision (a) of Section 19617.2 for distribution~~  
11 ~~to the thoroughbred official registering agency.~~

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