

AMENDED IN SENATE APRIL 2, 2008

SENATE BILL

No. 1570

Introduced by Senator Vincent

February 22, 2008

An act to add Section 12012.91 to the Government Code, relating to gaming, *and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1570, as amended, Vincent. Tribal gaming: satellite wagering.

Existing federal law, the Indian Gaming Regulatory Act of 1988, 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.

This bill would provide that, when negotiating with a tribal government for a tribal-state gaming compact pursuant to those provisions of the California Constitution, the Governor shall use his or her best efforts to ensure that satellite wagering on horse racing is one of the forms of gaming offered at any gaming facility authorized under the compact. *The bill would require any payments to the state for receiving the audio-visual signal on horse racing to be deposited in the Maddy-Vincent Fund for Horse Racing, as established by the bill. The bill also would require any funds generated if SCA 20 of the 2007–08 Regular Session is approved by the voters at the next statewide primary or general election, and if future compact negotiations between the state and tribal governments relating to granting tribal casinos the authority to play craps or roulette generate additional funds for the state, these funds to be deposited into the Maddy-Vincent Fund for*

Horse Racing. The bill would continuously appropriate all moneys in the Maddy-Vincent Fund for Horse Racing to the Horse Racing Board for the benefit of the fair racing associations, racing associations, and the horsemen and horsewomen involved in horse racing, as specified.

By establishing a continuously appropriated fund, this bill would make an appropriation.

Vote: ~~majority~~^{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. *The Legislature finds and declares all of the*
2 *following:*

3 (a) *Seventy-five years ago the people of California adopted an*
4 *amendment to the California Constitution to provide for horse*
5 *racing. Through the past 75 years, California has been one of the*
6 *preeminent racing venues in the country. Through the years,*
7 *world-class horses have run at California race tracks, along with*
8 *appearances by the top jockeys in the United States.*

9 (b) *It is estimated that horse racing contributes approximately*
10 *three billion dollars (\$3,000,000,000) annually to the industry and*
11 *trade of the State of California.*

12 (c) *More than 50,000 Californians are employed directly or*
13 *indirectly by various elements of the horse racing industry.*

14 (d) *Although the State of California has compacts with more*
15 *than 65 tribal governments, only three tribal casinos currently*
16 *offer satellite wagering on horse racing. Yet the hundreds of*
17 *thousands of patrons who visit tribal casinos every day are*
18 *potential patrons for wagering on California horse racing. There*
19 *is no question that the horse racing industry in California would*
20 *benefit from having additional facilities where an individual could*
21 *wager on California's horse races.*

22 (e) *The future of California horse racing is in serious question.*
23 *It is anticipated that Bay Meadows Race Track will soon close,*
24 *and the Hollywood Park Race Track may close in the near future.*
25 *Additionally, the owners of two other race tracks report that in*
26 *the past seven years they have not made any money, and their*
27 *continued vitality is in question.*

28 *Accordingly, the Legislature determines that it is necessary to*
29 *provide some assistance to the horse racing industry so that it may*

1 *return to its former level of competitiveness, and so that horse*
2 *racing will thrive and survive in California.*

3 **SECTION 1.**

4 *SEC. 2.* Section 12012.91 is added to the Government Code,
5 to read:

6 12012.91. (a) When negotiating with a tribal government for
7 a tribal-state gaming compact pursuant to subdivision (f) of Section
8 19 of Article IV of the California Constitution, the Governor shall
9 use his or her best efforts to ensure that satellite wagering on horse
10 racing is one of the forms of gaming offered at any gaming facility
11 authorized under the compact.

12 (b) *If a compact that provides for satellite wagering requires*
13 *any payments to the state for receiving the audio-visual signal on*
14 *horse racing, that revenue shall be deposited in the Maddy-Vincent*
15 *Fund for Horse Racing, which is hereby established in the General*
16 *Fund. Notwithstanding Section 13340, all moneys in the*
17 *Maddy-Vincent Fund for Horse Racing are hereby continuously*
18 *appropriated to the Horse Racing Board for the benefit of the fair*
19 *racing associations, racing associations, and the horsemen and*
20 *horsewomen involved in horse racing, as specified in subdivisions*
21 *(c) and (d).*

22 (c) *The Horse Racing Board shall distribute the first ten million*
23 *dollars (\$10,000,000) that is deposited each fiscal year in the*
24 *Maddy-Vincent Fund for Horse Racing in equal shares to a fair*
25 *racing association in the northern zone and a fair racing*
26 *association in the central zone that have made substantial*
27 *improvements to their racing facilities in order to accommodate*
28 *additional weeks of horse racing, as compared to the number of*
29 *weeks actually conducted in 2007. If less than ten million dollars*
30 *(\$10,000,000) is received in any fiscal year, then the proceeds*
31 *shall be distributed equally between the fair racing association in*
32 *the northern zone and the fair racing association in the central*
33 *zone that meet the requirements described in this subdivision.*

34 (d) *If SCA 20 of the 2007–08 Regular Session is approved by*
35 *the voters at the next statewide primary or general election, and*
36 *if future compact negotiations between the state and tribal*
37 *governments relating to granting tribal casinos the authority to*
38 *play craps or roulette generate additional funds for the state, these*
39 *funds also shall be deposited into the Maddy-Vincent Fund for*
40 *Horse Racing. These funds, if any, and any funds remaining after*

1 *the distribution described in subdivision (c), shall be distributed*
2 *to the fair racing associations and racing associations, on a pro*
3 *rata basis, based upon their total handle the previous year. Of the*
4 *funds received by the racing associations, 50 percent shall be*
5 *deposited into the purse pool for the benefit of the horsemen and*
6 *horsewomen conducting racing at that race meet.*

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