

AMENDED IN SENATE JULY 9, 2009

AMENDED IN SENATE JUNE 2, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 763

Introduced by Assembly Member Chesbro
(Coauthor: Senator Wiggins)

February 26, 2009

An act to *amend Section 19601.2 of, and to add Section 19596.21* to, the Business and Professions Code, relating to horse racing, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 763, as amended, Chesbro. Horse racing: Humboldt County Fair.

Existing

(1) *Existing* law provides for the operation of live horse racing by associations and fairs, and for wagering thereon, and for the operation of satellite wagering facilities, subject to regulation and oversight by the California Horse Racing Board, as specified.

This bill would, during calendar periods when a thoroughbred association or fair in the northern zone and the Humboldt County Fair simultaneously conduct live race meetings, permit the Humboldt County Fair and a thoroughbred association in the southern zone when conducting a live race meeting to accept wagers on the result of not more than 8 out-of-state thoroughbred horse races in addition to those already authorized in law, if specified conditions are met.

(2) *Existing* law provides that when the San Mateo County Fair, or any other fair or thoroughbred association, and the Humboldt County Fair simultaneously conduct race meetings in the northern zone, 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. Existing law requires, for the period in which both fairs are conducting race meetings, the San Mateo County Fair, or other fair or thoroughbred association, to distribute to the Humboldt County Fair, from and to the extent of license fees generated from the total handle, 0.75% of the out-of-zone, out-of-state, and out-of-country handle, and requires the San Mateo County Fair, or other fair or thoroughbred association, 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. Existing law provides similar provisions for the Fresno District Fair as are applied to the Humboldt County Fair.

This bill would delete those provisions relating to the Fresno District Fair, and, with respect to the provisions relating to the distribution of the signal and acceptance of wagers, would delete the reference to the San Mateo County Fair, leaving those other provisions applicable if any other fair or thoroughbred association and the Humboldt County Fair simultaneously conduct race meetings. The bill, with respect to the provisions relating to the distribution to the Humboldt County Fair, would also delete the reference to the San Mateo County Fair, would require that distribution to the Humboldt County Fair from and to the extent of commissions and purses generated from the total handle, and would delete obsolete language pertaining to the distribution of excess license fees.

This

(3) *This bill would declare that it is to take effect immediately as an urgency statute.*

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

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

- 1 SECTION 1. Section 19596.21 is added to the Business and
- 2 Professions Code, to read:
- 3 19596.21. (a) In addition to the authorizations to accept wagers
- 4 on out-of-state and out-of-country races pursuant to Sections
- 5 19596.2 and 19596.3 and in any other provision of law, during
- 6 calendar periods when a thoroughbred association or another fair

1 in the northern zone and the Humboldt County Fair simultaneously
2 conduct live race meetings, the Humboldt County Fair and a
3 thoroughbred association in the southern zone when conducting a
4 live race meeting may accept wagers on days when live races are
5 being run on the results of not more than eight out-of-state
6 thoroughbred horse races, if all of the following conditions are
7 met:

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

11 (2) The Humboldt County Fair conducts at least six live races.

12 (3) The Humboldt County Fair and thoroughbred association
13 in the southern zone shall accept these wagers only on out-of-state
14 thoroughbred races that commence before 4:30 p.m., Pacific
15 standard time.

16 (b) The Humboldt County Fair may contract with the
17 thoroughbred association or fair in the southern zone to distribute
18 the signal statewide on its behalf.

19 (c) Any thoroughbred association or fair accepting wagers
20 pursuant to this section shall conduct the wagering in accordance
21 with the applicable provisions of Sections 19601, 19616, 19616.1,
22 and 19616.2, except that subdivision (i) of Section 19601 shall not
23 be applicable for the purpose of fulfilling the authorization
24 described in this section.

25 *SEC. 2. Section 19601.2 of the Business and Professions Code*
26 *is amended to read:*

27 19601.2. ~~(a) During calendar periods when the San Mateo~~
28 ~~County Fair, or any other fair or thoroughbred association; and the~~
29 ~~Humboldt County Fair simultaneously conduct race meetings in~~
30 ~~the northern zone, the San Mateo County Fair, or other fair or~~
31 ~~thoroughbred association; shall be the association authorized to~~
32 ~~distribute the signal and accept wagers on out-of-zone, out-of-state,~~
33 ~~and out-of-country races if it complies with the conditions specified~~
34 ~~in subdivision (a) of Section 19601. The amounts deducted from~~
35 ~~these wagers shall be distributed as provided in Section 19601;~~
36 ~~and license fees on races conducted by the Humboldt County Fair~~
37 ~~and on out-of-zone, out-of-state, or out-of-country races shall be~~
38 ~~as specified in subdivision (h) of Section 19601. Additionally,~~
39 ~~from, and to the extent of, license fees commissions and purses~~
40 ~~generated from the total handle of the San Mateo County Fair, or~~

1 other fair or thoroughbred association; during the overlap, the San
 2 Mateo County Fair, or other fair or thoroughbred association; shall
 3 distribute to the Humboldt County Fair, not less than seven days
 4 after the close of the racing meeting, an amount equal to 0.75
 5 percent of the out-of-zone, out-of-state, and out-of-country handle.
 6 ~~From the amount remaining, if any, 50 percent shall be retained~~
 7 ~~by the San Mateo County Fair, or other fair or thoroughbred~~
 8 ~~association, to be distributed equally as commissions and purses,~~
 9 ~~and 50 percent shall be paid to the state as a license fee.~~

10 (b) ~~During calendar periods when the Fresno District Fair and~~
 11 ~~any thoroughbred association in the northern zone both conduct~~
 12 ~~race meetings, the thoroughbred association shall be the association~~
 13 ~~authorized to distribute the signal and accept wagers on~~
 14 ~~out-of-zone, out-of-state, and out-of-country races, if it complies~~
 15 ~~with the conditions specified in subdivision (a) of Section 19601.~~
 16 ~~The amounts deducted from these wagers shall be distributed as~~
 17 ~~provided in Section 19601, and license fees on races conducted~~
 18 ~~by the Fresno District Fair and on out-of-zone, out-of-state, or~~
 19 ~~out-of-country races shall be as specified in subdivision (h) of~~
 20 ~~Section 19601. Additionally, from, and to the extent of, license~~
 21 ~~fees generated from the total handle of the thoroughbred association~~
 22 ~~during the overlap, the thoroughbred association shall distribute~~
 23 ~~to the Fresno District Fair, not less than seven days after the close~~
 24 ~~of the racing meeting, an amount equal to 0.75 percent of the~~
 25 ~~out-of-zone, out-of-state, and out-of-country handle. From the~~
 26 ~~amount remaining, if any, 50 percent shall be retained by the~~
 27 ~~thoroughbred association to be distributed equally as commissions~~
 28 ~~and purses, and 50 percent shall be paid to the state as a license~~
 29 ~~fee.~~

30 ~~SEC. 2.~~

31 *SEC. 3.* This act is an urgency statute necessary for the
 32 immediate preservation of the public peace, health, or safety within
 33 the meaning of Article IV of the Constitution and shall go into
 34 immediate effect. The facts constituting the necessity are:

35 In order to alleviate economic uncertainty for the Humboldt
 36 County Fair, preserve jobs, ensure that live horse racing continues
 37 in Humboldt County each year, and for this act to apply to the

- 1 2009 racing season, it is necessary that this act take effect
- 2 immediately.

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