

AMENDED IN SENATE MAY 21, 2012  
AMENDED IN SENATE APRIL 16, 2012

**SENATE BILL**

**No. 1523**

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**Introduced by Senator Strickland**

February 24, 2012

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An act to amend Section 19640 of the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1523, as amended, Strickland. Horse racing: fund for retired race horses.

Existing law, the Horse Racing Law, generally regulates horse racing and vests the administration and enforcement of the Horse Racing Law in the California Horse Racing Board. Existing law provides that all money representing penalties or fines imposed by the stewards of a horse race meeting shall be collected by the licensee of the meeting and paid to the board within 10 days after its close. Existing law requires the board to deposit the money in the State Treasury to the credit of the General Fund. Existing law also requires persons who participate in horse racing, including horse owners, jockeys, drivers, apprentices, grooms, and valets, to be licensed by the board, and to pay license fees pursuant to the rules and regulations adopted by the board.

This bill would require the board to *annually* deposit *50% of* all money representing penalties or fines imposed by the stewards of a horse race meeting and *50% of* all fees paid to the board for occupational licenses into the Fund for Retired California Race Horses, which would be established by the bill as a continuously appropriated fund, thereby making an appropriation, for purposes of financing a program for the rehabilitation and retraining of retired California race horses ~~in state~~

prisons. The bill would require the program to be developed by the board and implemented in partnership with a nonprofit organization, *selected by the board*, that operates rehabilitation and retirement services in the state for retired California race horses. ~~The bill would require the nonprofit organization to be approved by the board and the Department of Corrections and Rehabilitation.~~ The bill would require the board to adopt regulations for the management and distribution of funds deposited in the Fund for Retired California Race Horses. The bill would require the regulations to establish a process for the distribution of those moneys to the nonprofit organization ~~and for the distribution of moneys received by the nonprofit organization to the Department of Corrections and Rehabilitation for services provided by prisoners for the rehabilitation and retraining of retired California race horses pursuant to the program.~~ *The bill would require the board to adopt regulations prohibiting the total amount of funds allocated to the nonprofit organization from exceeding the total amount of donations received by the nonprofit organization in the year in which the allocation is to be made.* The bill would require the nonprofit organization ~~and the Department of Corrections and Rehabilitation~~ to submit an annual budget and quarterly financial statements to the board.

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

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

1 SECTION 1. Section 19640 of the Business and Professions  
2 Code is amended to read:  
3 19640. (a) ~~All~~ *Fifty percent of all* money representing penalties  
4 or fines imposed by the stewards of a horse race meeting shall be  
5 collected by the licensee of the meeting and paid to the board  
6 within 10 days after its close, and the board shall *annually* deposit  
7 ~~all of~~ the money in the Fund for Retired California Race Horses,  
8 which is hereby established in the State Treasury. ~~All~~ *Fifty percent*  
9 *of all* fees paid to the board for occupational licenses, as specified  
10 in Section 1481 of ~~Article 4 of Division 4 of~~ Title 4 of the  
11 California Code of Regulations, shall also be deposited *annually*  
12 by the board into the fund.  
13 (b) Notwithstanding Section 13340 of the Government Code,  
14 all moneys in the fund shall be continuously appropriated to the  
15 board for purposes of funding the program described in this section.

1 (c) The board shall establish a program for the rehabilitation  
2 and retraining of retired California race horses ~~in state prisons~~.  
3 The program shall be developed by the board and shall be  
4 implemented in partnership with a nonprofit 501(c)(3) organization  
5 that operates rehabilitation and retirement facilities in the state for  
6 the care of retired California race horses. The nonprofit  
7 organization shall be ~~approved~~ *selected* by the board ~~and the~~  
8 ~~Department of Corrections and Rehabilitation~~.

9 (d) The board shall adopt regulations for the management and  
10 distribution of moneys in the Fund for Retired California Race  
11 Horses. The regulations shall also establish a process for the  
12 distribution of those moneys to the nonprofit 501(c)(3) organization  
13 ~~and for the distribution of moneys received by the nonprofit~~  
14 ~~organization to the Department of Corrections and Rehabilitation~~  
15 ~~for services provided by prisoners for the rehabilitation and~~  
16 ~~retraining of retired California race horses pursuant to the program.~~  
17 *In addition to any other regulation adopted by the board pursuant*  
18 *to this section, the regulations shall prohibit the allocation of funds*  
19 *to the nonprofit 501(c)(3) organization in an amount that exceeds*  
20 *the total amount of donations to the nonprofit 501(c)(3)*  
21 *organization in the year in which the allocation is to be made.*

22 (e) The nonprofit 501(c)(3) organization ~~and the Department~~  
23 ~~of Corrections and Rehabilitation~~ shall submit a budget for the  
24 ensuing calendar year at the board's November meeting each year,  
25 and shall file quarterly financial statements with the board.