

CALIFORNIA HORSE RACING BOARD  
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## REGULAR MEETING

of the **California Horse Racing Board (CHRB)** will be held on **Thursday, April 6, 2017**, commencing at **10:30 a.m.**, at the **Bayview Lounge (Turf Club) at Golden Gate Fields, 1100 Eastshore Hwy, Berkeley, California**. The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website ([www.chrb.ca.gov](http://www.chrb.ca.gov)) under "Webcasts."

### AGENDA

#### Action Items:

1. **Approval of the minutes of February 23, 2017.**
2. **Executive Director's Report.**
3. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** Persons addressing the Board under this item will be restricted to **three (3) minutes** for their presentations.
4. Discussion and action by the Board regarding the **distribution of race day charity proceeds of the Del Mar Thoroughbred Club's 2016 summer race meeting in the amount of \$113,084, to eight beneficiaries.**
5. Discussion and action by the Board regarding the **distribution of race day charity proceeds of the Del Mar Thoroughbred Club's 2016 fall race meeting in the amount of \$18,114, to four beneficiaries.**
6. Discussion and action by the Board on the **Application for License to Operate a Satellite Wagering Facility by the Pechanga Band of Luiseno Indians of the Pechanga Reservation at the Pechanga Resort and Casino in Temecula, California.**
7. Public hearing and action by the Board regarding the **proposed amendment to CHRB Rule 1632, Jockey's Riding Fee**, to adjust the jockey riding fee scale pursuant to Business and Professions Code section 19501. (Note: This concludes the 15-day public comment period. The Board may adopt the proposal as presented.)
8. Public hearing and action by the Board regarding the **proposed amendment to CHRB Rule 1433, Application for License to Conduct a Horse Racing Meeting**, to require that racing associations include a furosemide agreement when submitting an application for license and **proposed amendment to CHRB Rule 1845, Authorized Bleeder Medication**, to require that race day authorized bleeder medication be administered by independent, third party veterinarians. (Note: This concludes the 15-day public comment period. The Board may adopt the proposal as presented.)

9. Discussion and action by the Board regarding the **request from Humboldt County Fair for a waiver to CHRB Rule 1472, Rail Construction and Track Specifications subsections (b)(c)(e), to facilitate the installation of a new inside rail.**
10. Discussion by the Board regarding a **report and presentation by the Square Peg Foundation, which provides an adaptive riding program that brings together rescued, re-trained horses with special needs and at-risk children and youth.**
11. Discussion and action by the Board regarding **delegating authority to the CHRB's Boards of Stewards to waive the requirement for a place or show pool in any race, upon the showing of "good cause" by the association, pursuant to CHRB Rule 1954, Pari-mutuel Pools.**
12. Report from the **Racing, Breeding and Stabling Initiatives Committee.**
13. Discussion and action by the Board regarding a **report and update from the Pacific Racing Association (Golden Gate Fields) and the Northern California Stabling and Vanning Committee on the projected availability of stalls at Golden Gate Fields through the remainder of its race meeting and the projected timeline for reopening the Alameda County Fairgrounds at Pleasanton for off-site stabling and training.**
14. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
  - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," and as authorized by Government Code section 11126(e).
  - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).
  - C. The Board may convene a Closed Session for the purposes of considering personnel matters as authorized by Government Code section 11126 (a).

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at [www.chrb.ca.gov](http://www.chrb.ca.gov). \*Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

**CALIFORNIA HORSE RACING BOARD**

Chuck Winner, Chairman  
George Krikorian, 1<sup>st</sup> Vice Chairman  
Madeline Auerbach, 2<sup>nd</sup> Vice Chairman  
Jesse H. Choper, Member  
Araceli Ruano, Member  
Alex Solis, Member  
Rick Baedeker, Executive Director  
Jacqueline Wagner, Assistant Executive Director

**PROCEEDINGS** of the Regular Meeting of the **California Horse Racing Board** held at the **Santa Anita Park Race Track**, 285 West Huntington Drive, Arcadia, California, on **February 23, 2017**.

Present:       Chuck Winner, Chairman  
              George Krikorian, First Vice-Chairman  
              Madeline Auerbach, Second Vice-Chairman  
              Jesse H. Choper, Member  
              Araceli Ruano, Member  
              Alex Solis, Member  
              Rick Baedeker, Executive Director  
              Jacqueline Wagner, Assistant Executive Director  
              John McDonough, General Counsel

**APPROVAL OF THE MINUTES OF JANUARY 26, 2017**

Chairman Winner asked for approval of the minutes of the Regular Meeting of January 26, 2017. Second Vice-Chairman Auerbach **motioned** to approve the minutes. Commissioner Ruano **seconded** the motion, which was **unanimously carried**. Roll Call Vote: Aye: Ruano, Choper, Krikorian, Winner, Auerbach, Solis. Nay: None. Motion carried.

**EXECUTIVE DIRECTOR'S REPORT.**

Executive Director Rick Baedeker reported John McDonough was the new CHRB Chief Counsel. He said Mr. McDonough spent seven years as the California Highway Patrol Supervising Attorney. Executive Director Baedeker reported that the agency the Board reported to, the Business, Consumer Services and Housing Agency, had a new Secretary of the Agency, Alexis Podesta. He said Ms. Podesta had previously been the Undersecretary of the Agency. Executive Director Baedeker stated locations for the tentatively scheduled March 23, 2017 and the April 27, 2017 Board meetings had been changed. The Board planned to hold a meeting at Golden Gate Fields in March, and relocated the April meeting to Santa Anita Park. Executive

Director Baedeker reported January 2017 handle was affected by the significant rainfall compared to January 2016. January 2017 had 29 day and night racing programs; five fewer than January 2016. Daytime handle decreased 19.9 percent and nighttime handle decreased 13.6 percent with an overall handle decrease of 13.6 percent. He said the Los Angeles Turf Club race meet average daily handle on-track increased one percent.

#### **PUBLIC COMMENT**

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John Valenzuela, Local 280, stated the July 16, 2014 through July 19, 2017 collective bargaining agreement between the Federation of California Racing Associations, Inc. and the Pari-Mutuel Employees Guild (SEIU Local 280), was extended for one year, through July 18, 2018.

#### **DISCUSSION AND ACTION BY THE BOARD REGARDING A REPORT FROM THE CALIFORNIA MARKETING COMMITTEE (CMC) REGARDING ITS 2017 MARKETING AND PROMOTION PLANS PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19605.73(B).**

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Greg Avioli, California Marketing Committee (CMC), stated CMC submitted its 2017 marketing and promotion plan to the Board. He said CMC supported an array of projects despite reduced funding. For 2017, the CMC Board focused marketing and funding on four main programs that would benefit California horse racing. The first program was the Significant Players Program which had demonstrable evidence that it was beneficial to the industry. He stated both Los Angeles Turf Club (LATC) and Del Mar Thoroughbred Club (DMTC) had similar programs. Josh Rubenstein, DMTC, said DMTC gave customers who wagered \$1,000,000 per year a six percent rebate. He stated DMTC had proof that each dollar spent in rebates brought DMTC a greater profit. Commissioner Choper asked how the DMTC rebate compared to rebates from

out-of-state Advance Deposit Wagering (ADW) companies. Mr. Rubenstein said the DMTC rebate was an aggressive rebate, and had increased the number of customers. Mr. Avioli said the second category CMC focused on was increasing horse recruitment. He said the \$327,000 funded to promote horse recruitment was a reduction in CMC spending. Additional funds would be taken directly out of the racing associations' purse programs to make up the difference. Second Vice-Chairman Auerbach asked if money spent on horse recruitment was an additional expense from the purse program. Mr. Avioli stated the same amount would be taken from the purse program in 2017 as 2016 because CMC took over funding for the High Volume Award Program from the purse program in exchange for the purse program pay for horse recruitment. Commissioner Choper asked if exchanges such as between the CMC and Purse Program explained the administrative reduction. Mr. Avioli said the reduction to administration was made through an agreement between various industry groups including Southern California Off-Track Wagering, Inc. (SCOTWINC) and CMC to split a full time administrative position. Chairman Winner said SCOTWINC took part of the position's compensation. Mr. Avioli stated for its third program the CMC renewed the Golden State Series for 2017. Doug Burge, California Thoroughbred Breeders Association (CTBA), said 2017 was the seventh year the Golden State Series was scheduled. The roughly 40 stakes races in the series were restricted to California-bred, California-sired horses and consisted of \$5.5 million in purses, about \$250,000 from CMC. The rest of the funds came from stallion nomination fees and the CTBA. He said the series was a lucrative program that stabilized the annual number of foals in California. First Vice-Chairman Krikorian asked how many California-bred horses foaled in the past three years. Mr. Burge stated 2016 was the first time in nearly ten years that the foal count neared 2,000 with 1,970. He said 2012 had the lowest foal count with around 1,500. Chairman Winner asked if the

foal increase was similar for other states. Mr. Burge said New York had a similar incentive program with a bigger budget from alternative gaming. He said California was one of the few states across the country that had steadily increased its annual number of foals. First Vice-Chairman Krikorian asked how CTBA was funded. Mr. Burge stated CTBA received a percentage of on-track handle, as well as a small amount of off-track and out-of-state handle, which totaled about \$10 million gross. CTBA also received about \$17 million from restricted purses. First Vice-Chairman Krikorian stated the program was vital to California racing. He said allocations should be reviewed to determine if anything could be changed to give more to CTBA for the program. Second Vice-Chairman Auerbach stated California-bred horses did not get many opportunities to run, which made the funding issue broader than just the one program. She said one had to look at each racing association to determine the California-bred opportunities. Mr. Avioli said the fourth program CMC promoted for 2017 was the "We Care Horse Campaign." He said it was a new program which resulted from conversations with Chairman Winner, CMC Board members and Thoroughbred Owners of California (TOC) Board member Terry Lovingier. CMC worked with TOC and TVG Network to begin filming 30 to 60 second vignettes for industry websites that focused on positive industry stories. The first vignettes included a mare foaling and race horse after-care. The vignettes were allocated about 10 percent of the funds budgeted for the We Care Horse Campaign. CMC still had to determine how best to allocate the remaining funds for the program. Mr. Avioli said any Board member was welcome to attend the next CMC Board meeting to discuss ideas. Chairman Winner said the allocated amount would not go far. Mr. Avioli stated TVG Network provided many resources without asking for payment, which was greatly appreciated. Second Vice-Chairman Auerbach asked if Craig Dato was involved with the program. Mr. Avioli said he was one of the program

developers. Second Vice-Chairman Auerbach stated Mr. Dato was the best at marketing, and it would be beneficial for CMC to get his insight with the program. First Vice-Chairman Krikorian asked for explanation of the \$10,000 fund for the CMC website, [www.calracing.com](http://www.calracing.com). Mr. Avioli stated the website was previously budgeted \$70,000 annually, with most of the money going to Robert's Communication to run the website. The CMC Board decided to change the website for 2017. Customers would fund [www.calracing.com](http://www.calracing.com) by paying fees. CMC had received negative feedback with industry members, including Board members, wanting to know why CMC decided not to continue providing the content for free. CMC scheduled a Board meeting to discuss the concerns brought to its attention by the industry members. He said the website currently did not provide race replays until one day after the race was held, and the CMC Board would determine whether the replays would be posted on the website for viewing on the same day as the races at the same meeting. Second Vice-Chairman Auerbach said CMC representatives should return to the next Board meeting held in Santa Anita and explain with respect to the CMC website: what changed, why and how. First Vice-Chairman Krikorian stated the website should be the focal point for access to California racing entities and marketing campaigns. The budget should be more significant than what CMC allocated. Commissioner Ruano said she supported 1<sup>st</sup> Vice-Chairman Krikorian's sentiments; investing in the website would help attract new audiences to horse racing. Mr. Rubenstein stated DMTC and other racing associations spent significant resources on marketing to attract different audiences. The [www.calracing.com](http://www.calracing.com) website included links to the associations web pages; it remained a valuable tool to attract new customers. Chairman Winner asked if CMC could track and compare the number of website hits before and after the change from free to paid live race viewing. Shannon McDonald, CMC, stated the number of live racing views had dropped, however the Robert's Communication representative

would be able to discuss the number of hits at the next CMC Board meeting. Chairman Winner said there was an assumption that requiring a fee to view live racing deterred people from getting involved in racing. The number of hits could verify if the assumption was accurate. First Vice-Chairman Krikorian stated the website should represent California racing entirely; not individual tracks. Mr. Avioli said CMC would represent all racing in California if The Stronach Group (Stronach) participated. Scott Daruty, Stronach, said he wanted to explain to the Board how Stronach decided to prohibit free access to viewing live racing feeds from Golden Gate Fields and Santa Anita Park. He said the current discussion made it apparent that people believed the decision was based on cost. He said Stronach based its decision on what was in the best interests of the California racing industry, including customers. He said Stronach considered: cost, video quality and piracy. The old platform made it difficult for customers to view live races on their phones and big-screen televisions. He said the new platform made high-definition video available, which could be viewed on big-screen televisions and streaming devices, for a \$5.00 monthly fee. Standard viewing would remain available with a new \$1.00 per month fee. Mr. Daruty said Stronach encountered piracy internationally, which allowed customers to place illegitimate wagers and hurt the industry. He stated when a customer was charged a fee prior to watching live racing online, they had to submit credit card information attached to a real name and address, which deterred some piracy. Mr. Daruty said Stronach determined charging a fee for viewing its races was the best way to balance cost, video quality and piracy concerns; however it was open to input. Chairman Winner stated adding a fee meant to prevent piracy had a tradeoff of losing potential new customers. Mr. Daruty said Stronach took the tradeoffs into account and determined the platform was the best option. He said the CMC website was not the only place that posted the races online; Advance Deposit Wagering (ADW) providers live-

streamed races for free for anyone with an account. Chairman Winner stated Mr. Daruty's remarks strengthened the perception that the fee was added as a way to encourage people to go to ADW websites. Mr. Daruty stated if Stronach's goal was to push people to use the Stronach-owned ADW website, it would have made live racing feeds from its tracks only available at [www.xpressbet.com](http://www.xpressbet.com). Stronach was sensitive to the criticism and had lost XpressBet customers based on the mistaken perception. He said Stronach made an effort to prevent piracy while distributing its product with updated technology for a reasonable price. Chairman Winner asked if Mr. Daruty had a response to alleviate the concern. Mr. Daruty said the rollout could have been handled differently; notices were posted, but Stronach and CMC could have also communicated through email or other means. Piracy and the need for upgraded technology were legitimate issues that had to be addressed. First Vice-Chairman Krikorian stated he did not understand how charging a fee to view races on the CMC website prevented piracy, when he could watch live racing anywhere with an iPad as a DIRECTV customer. Mr. Daruty said DIRECTV and other distributors had strict requirements and geographic limitations for its products. If someone used DIRECTV products or services illegally, the distributor would get involved. Mr. Daruty stated Stronach had meetings with regulators in Mexico and Venezuela where Stronach explained the racing content was being stolen. He said the regulators asked how it could be stolen when the content was given away for free. First Vice-Chairman Krikorian stated the [www.calracing.com](http://www.calracing.com) website was the only location viewers could watch additional footage, including the horses in the paddock and winner's circle. Mr. Daruty said the current video feeds were from the tracks and would show the horses in the paddocks as well. Mr. Daruty said the Board was focused on the California horse racing industry's success, rather than nationally. The website offered customers different packages which provided an opportunity to

watch California races, or any race from throughout the country. First Vice-Chairman Krikorian stated the Board was concerned about how money used by CMC was spent to benefit the California horse racing industry. Mr. Daruty said consumers wanted everything readily available at their fingertips; they did not want to go to separate websites to watch racing from different states. Second Vice-Chairman Auerbach asked Mr. Avioli if customers could view a replay immediately after a live race, rather than waiting 24 hours. Mr. Avioli said the CMC Board planned to discuss making a replay available after the race card concluded. Mr. Daruty stated a replay could not be made available immediately after the race, even though technology made it possible, for the same reason live racing could not be posted for free: piracy. People wagering illegally would not mind a two-minute delay before watching the race to see if they won. Second Vice-Chairman Auerbach stated the CMC made vast mistakes changing its website. She said the website was fundamentally changed without receiving industry input. One of the main reasons for the website's existence was to attract new customers, but many people looking into horse racing did not want to sign up and pay to watch racing before becoming involved as customers. Second Vice-Chairman Auerbach stated the CMC funds were scheduled to sunset in 2018 unless the Legislature decided to continue the funding. First Vice-Chairman Krikorian said the funds could be budgeted to benefit California racing through other means. Chairman Winner stated another option was, as 1<sup>st</sup> Vice-Chairman Krikorian suggested earlier, expanding CMC funding from other resources. Commissioner Solis said the number of customers from the Asian community had noticeably increased, especially attending races near Arcadia, Del Mar and San Francisco. CMC should look into advertising on Asian television stations. Mr. Avioli stated advertising to the Asian communities in California was not on its agenda; Stronach had outreach programs for Santa Anita Park. Commissioner Solis said the customers from the Asian

communities were loyal to racing, and advertising in their languages would be beneficial. Commissioner Choper said the mistakes made were inevitable, and it was important to recognize that Stronach and the Board had similar goals. Mr. Avioli stated CMC had a \$100,000 surplus from 2016 that had not been allocated to its budget. He said the [www.calracing.com](http://www.calracing.com) website had not been reviewed or overhauled in the last five years. CMC was considering using some surplus money to update the website with outside experts. Chairman Winner stated it was clear the website needed to be upgraded. Executive Director Baedeker reminded CMC that going forward it was obligated to submit its budget to the Board prior to October 1<sup>st</sup> annually, and that it would be heard by the Board at its November meeting.

**PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT TO CHRB RULE 1581, RACING SECRETARY TO ESTABLISH CONDITIONS, TO ALLOW RACING SECRETARIES TO WRITE MEDICATION-BASED ELIGIBILITY CONDITIONS AS AGREED TO WITH THE ACKNOWLEDGED HORSEMEN'S ORGANIZATION(S) AND APPROVED BY THE BOARD BEFORE ENTRIES ARE TAKEN FOR THE RACE, AND CHRB RULE 1843, MEDICATION, DRUGS AND OTHER SUBSTANCES, TO CLARIFY THAT MEDICATION-BASED ELIGIBILITY CONDITIONS, WITH AUTHORIZED THRESHOLDS LOWER THAN WHAT IS AUTHORIZED BY THE BOARD, ARE NOT TO BE DEEMED IN CONFLICT WITH THE BOARD'S INTENT AND OTHER REGULATIONS.**

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Philip Laird, CHRB Staff Counsel, stated Rule 1581, Racing Secretary to Establish Conditions, and Rule 1843, Medication, Drugs, and Other Substances, were currently in effect as emergency regulations. The 45-day comment period for permanent regulations ended on February 13, 2017. He said four comments were received during the public comment period, two in favor, and two opposed. Executive Director Rick Baedeker said the matter was before the Board because the Superior Court recommended the Board approve an amendment to the regulations. Mr. Laird stated the Superior Court suggested that the Board needed to amend its regulations to allow Los

Alamitos to conduct its pre-race eligibility testing program. The proposed amendments were approved by the Board on an emergency basis, and if the Board adopted the proposal as presented, it would allow the program to continue on a permanent basis. Tom Robbins, Del Mar Thoroughbred Club (DMTC), stated DMTC supported the proposed amendment to Rule 1581, and the required pre-approval by the horsemen's organization and the CHRB. Drew Couto, Los Alamitos Quarter Horse Racing Association (LAQHRA), stated he wanted to thank the Board and staff for moving the regulations forward. He said LAQHRA believed the proposed amendments were entirely consistent with the Superior Court's recommendations. He stated medication policy in California had always reflected the Board's view, and the industry's interests, which led to the medication policies currently in place. The LAQHRA and its horsemen agreed there was an issue within the industry that needed to be changed. He stated LAQHRA believed the Board's actions were absolutely appropriate and consistent with the Court's order. Second Vice-Chairman Auerbach stated what concerned her was every time a specific point of view was addressed; another point of view could come along and be equally vulnerable to attack. Chairman Winner said that was always going to happen. Mr. Couto said there was a very narrow series of issues that the Court had in front of it. The issues that were articulated by the Court were addressed by the regulations. He stated the arguments submitted in opposition to the proposed amendments were broader in scope and reached well beyond the issues that were before the Court. Dan Schiffer, Pacific Quarter Horse Racing Association (PQHRA), stated PQHRA was the statutorily authorized representative of the Quarter Horse horsemen in California. He said PQHRA supported the proposed amendments and requested the Board pass them. Second Vice-Chairman Auerbach **motioned** to adopt the amendment to Rule 1581 and Rule 1843. Commissioner Solis **seconded** the motion, which was unanimously

carried. Roll Call Vote: Aye: Solis, Auerbach, Winner, Krikorian, Choper, Ruano. Nay: None.

Motion Carried.

PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT TO **CHRB RULE 1632, JOCKEY'S RIDING FEE**, TO ADJUST THE JOCKEY RIDING FEE SCALE PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19501.

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Shane Gusman, Law Offices of Broad and Gusman, representing the Jockey's Guild (Guild), stated the Guild supported updating the fee schedule found in Rule 1632, Jockey's Riding Fee. Chairman Winner welcomed the distinguished jockeys that attended the meeting with Mr. Gusman. Mr. Gusman said the Guild sent the Board a letter dated February 13, 2017 stating its concern for a technical omission for purses below \$5,000 in both the winning jockey riding fees table and jockey riding fee for losing mounts table in text A. He said California tracks had some races with purses below \$5,000. In those circumstances, the jockeys and others involved may be confused. Chairman Winner stated the amendment to Rule 1632 had already gone out for the 45-day public comment period. Philip Laird, CHRB Staff Counsel, stated the Board approved the regulation after the 45-day public comment period. The Office of Administrative Law (OAL) subsequently denied the regulation. The proposed amendment before the Board was noticed for a 15-day public comment period to modify Text A. Staff received the letter mentioned by Mr. Gusman and proposed Text B. If the Board adopted Text B, another 15-day public comment period was required. The proposed amendment would return to the Board one more time for final adoption before returning to OAL. Chairman Winner stated adopting Text B would delay the adoption until the next Board meeting. Commissioner Solis stated he recused himself from voting. First Vice-Chairman Krikorian asked if the Board could adopt Text A and

then return with another amendment addressing purses below \$5,000 separately. Mr. Laird stated the amendment would require a separate rulemaking file which would need to go through the entire amendment process, including the 45-day public comment period. Commissioner Ruano stated 1<sup>st</sup> Vice-Chairman Krikorian's idea would be time-consuming. Executive Director Rick Baedeker said the Board had the option to accept Text A, which would not resolve the issue raised by Mr. Gusman, or give direction to modify the language as described in Text B, which required a 15-day comment period. Commissioner Choper said Text B would return to the Board after the comment period. Mr. Gusman said the Guild preferred Text B. First Vice-Chairman Krikorian **motioned** to direct staff to initiate a 15-day public comment period regarding the proposed amendment to Rule 1632, Jockey's Riding Fee. Commissioner Ruano **seconded** the motion, which was **passed** five to zero with one abstention vote. Roll Call Vote: Aye: Auerbach, Winner, Krikorian, Choper, Ruano. Nay: None. Abstain: Solis. Motion Carried.

REPORT FROM THE MEDICATION, SAFETY AND WELFARE COMMITTEE.

Second Vice-Chairman Auerbach stated the Medication, Safety and Welfare Committee met on February 22, 2017. The Committee discussed shock wave therapy. Dr. Rick Arthur, CHRB Equine Medical Director, spoke with counterparts in other racing jurisdictions, and was confident that California's policies and procedures were as good, if not better, than other states. After statistically analyzing a sampling of data, Dr. Arthur observed no relationship between shock wave therapy and racing and training injuries. He said if shock wave therapy was done within recommended guidelines, it did not pose a risk to horses and riders, and he believed overall the program protected horses and riders. Commissioner Solis expressed concerns that

people could be performing shock wave therapy within a few days of a race. Dr. Arthur stated he was confident the procedure was being performed properly. Safety stewards monitored the shock wave therapy program at each track, and any rumors or information received was followed up. Darrell Haire, Jockeys' Guild (Guild), said the Guild encouraged the CHRB to use all available resources to regulate shock wave therapy. The next item discussed was track services. Executive Director Rick Baedeker stated the CHRB encouraged management to take additional steps to protect horse racing and training, specifically at Del Mar. Representatives of Del Mar were asked to discuss its new protocols for the Breeders Cup and overall safety. Josh Rubenstein, Del Mar, said Del Mar gave up one week of racing to allow more time for preparation of the track, and for the horses to acclimate between meets. He stated hiring Dennis Moore as track superintendent would provide consistency between Del Mar and Santa Anita. The surfaces at Del Mar and Santa Anita were the same. If they were handled the same, with modifications for environmental concerns such as moisture content and compaction, a safer track environment would be created. The next item discussed was the proposed amendment to Rule 1588, Horse Ineligible to Start in a Race. The rule would require horses returning from a layoff of 120 days or more to undergo an examination by the official veterinarian before being approved to compete. Executive Director Baedeker said of 314 fatalities reviewed, 86 had significant gaps in training. Thirty four of the horses had gaps in training of more than 120 days. Greg Avioli, Thoroughbred Owners of California (TOC), urged the CHRB to have a greater presence during training hours. Executive Director Baedeker stated the CHRB would do what the budget allowed. Elizabeth Morey (TOC) said the TOC would like more data relating to the 120-day proposal in order to assess the potential impact to its members. Second Vice-Chairman Auerbach stated the Board should not wait to get more information before taking the next step to

protect horse and rider; the Board had a right and a responsibility to move forward on the issue. The next item discussed was the proposed amendments to Rule 1689, Safety Helmets Required, and Rule 1689.1, Safety Vest Required. The proposed amendments would extend the requirement to wear a safety helmet and safety vest to every person in a jog cart and to exercise riders. The benefits of the proposed amendments were health and safety. The next item discussed was the proposed amendment to Rule 1868, Authorized Medication During Workouts. The proposed amendment would establish threshold limits for NSAIDs and test samples taken from horses after a completed timed workout. Philip Laird, CHRB Staff Counsel, said NSAID thresholds for training would mirror the requirements used during racing. Second Vice-Chairman Auerbach stated the proposed amendment went out for the 45-day notice period, but she had asked for it to be brought back to deal with some areas of concern. Dr. Carpenter suggested before proceeding it should be determined whether there was a correlation between NSAIDs and breakdowns during training. Dr. Blea offered his support for acquiring more data and 2<sup>nd</sup> Vice-Chairman Auerbach agreed. Second Vice-Chairman Auerbach said there would be a community-based effort to draw blood from any horse that was euthanized during training. The veterinarians would do the work at no charge to gather the data needed to prove or disprove whether or not the medication had an effect. She stated the California Thoroughbred Trainers would coordinate, and Dr. Arthur would work with Dr. Knych and Dr. Stanley at the Maddy Lab to analyze out-of-competition testing to determine the prevalence of NSAIDs in horses working. She said going forward every Medication, Safety and Welfare Committee meeting would start with a report on the data gathered regarding NSAIDs and breakdowns in order to make sensible regulations and to ensure NSAIDs were not affecting the horses. The next item discussed was the use of multiple corticoid steroids. Dr. Blea stated there were some good reasons for using

multiple steroids to treat various problems. Dr. Arthur stated the issue was being discussed nationally by the Racing Medication and Testing Consortium (RMTC) and suggested putting off the discussion until later in the year. The Committee agreed because RMTC had not been able to draw the link between the use of multiple used corticosteroids and injuries. The next item discussed was the proposed rule additions addressing out-of-competition testing. Executive Director Baedeker stated the proposals represented an effort to incorporate RMTC recommendations, and Association of Racing Commissioners International model rules into CHRB rules. Dr. Arthur said the proposed changes were part of a robust anti-doping program; the industry could no longer rely only on post-race testing because the effect of performance enhancing drugs outlasted their detectability in post-race testing. Currently, the CHRB did not have regulations that would allow it to act on out-of-competition testing findings. The proposed regulations addressed that problem. The proposed regulations addressed anabolic steroids, including Stanozolol. Any horse that was sick enough to receive an anabolic steroid treatment should be placed on the Veterinarian's List for a minimum of six months, and should be required to test clean before removal from the list. Alan Balch, California Thoroughbred Trainers (CTT), brought up some concerns about the proposed rules, including the inclusion of hair testing. Dr. Stanley described the benefits and reliability of hair testing at the Maddy Laboratory. Second Vice-Chairman Auerbach stated she favored moving the proposed regulations along and dealing with TOC's concerns as part of the process.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE **PROPOSED AMENDMENT TO CHRB RULE 1469, SAFETY OF RACE COURSE**, TO PROHIBIT AN ASSOCIATION FROM USING THE RACING SURFACE, (DIRT OR TURF), FOR ANY PURPOSE, OTHER THAN RENOVATION, MAINTENANCE, AND TRAINING FOR AT LEAST 30 DAYS PRIOR TO THE START OF A RACE MEETING OR AT LEAST 60 DAYS PRIOR TO BREEDERS CUP CHAMPIONSHIP EVENTS AT ITS RACE MEETING.

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This item was removed from the agenda.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE **PROPOSED AMENDMENT TO CHRB RULE 1588, HORSE INELIGIBLE TO START IN A RACE**, TO PROVIDE THAT A HORSE THAT HAS NOT RACED FOR A SPECIFIED NUMBER OF CONSECUTIVE DAYS AT A RECOGNIZED RACE MEETING IS INELIGIBLE TO ENTER A RACE UNTIL SUCH HORSE HAS SATISFACTORILY COMPLETED ENHANCED TESTING OR EVALUATION AND HAS BEEN DECLARED ELIGIBLE TO START BY THE OFFICIAL VETERINARIAN.

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Second Vice-Chairman Auerbach **motioned** to direct staff to initiate a 45-day public comment period regarding the proposed amendment to Rule 1588, Horse Ineligible to Start in a Race.

Commissioner Solis **seconded** the motion, which was **unanimously carried**. Roll Call Vote:

Aye: Ruano, Choper, Krikorian, Winner, Auerbach, Solis. Nay: None. Motion carried.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENTS TO **CHRB RULES 1689, SAFETY HELMETS REQUIRED; AND RULE 1689.1, SAFETY VEST REQUIRED**, TO REQUIRE DRIVERS' RIDING IN A JOG CART TO WEAR A SAFETY HELMET AND SAFETY VEST.

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Second Vice-Chairman Auerbach **motioned** to direct staff to initiate a 45-day public comment period regarding the proposed amendment to Rule 1689, Safety Helmets Required, and Rule 1689.1, Safety Vest Required. Commissioner Solis **seconded** the motion, which was **unanimously carried**. Roll Call Vote: Aye: Solis, Auerbach, Winner, Krikorian, Choper, Ruano. Nay: None. Motion carried.

**DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENTS TO CHRB RULES 1858, TEST SAMPLE REQUIRED; 1859, TAKING, TESTING AND REPORTING OF SAMPLES; 1859.25, SPLIT SAMPLE TESTING; 1867, PROHIBITED VETERINARY PRACTICES; AND THE PROPOSED ADDITION OF CHRB RULES 1859.1, OUT-OF-COMPETITION TESTING PROCEDURES AND REQUIREMENTS; AND 1868, PROHIBITED DRUG SUBSTANCE IN OUT-OF-COMPETITION TESTING, TO INCORPORATE THE ASSOCIATION OF RACING COMMISSIONERS INTERNATIONAL (ARCI) MODEL RULE FOR OUT-OF-COMPETITION TESTING INTO THE CHRB'S RULES AND REGULATIONS.**

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Executive Director Rick Baedeker stated the Racing, Medication and Testing Consortium had been working on the Association of Racing Commissioners International (ARCI) model rule for more than two years. CHRB was proposing to amend existing rules and adopt new regulations to achieve the substance of the ARCI model rule. Dr. Arthur stated he had two corrections to the regulations. The first correction was to Rule 1867, Prohibited Veterinary Practices, to add wording about the hormone GHRH and its analogs. The second correction was to Rule 1869, Prohibited Drug Substance in Out-of-Competition Testing, to add wording about Chorionic Gonadotropin and Luteinizing hormone. He said most of what was done was a real anti-doping program modeled under the World Anti-Doping program prohibited list. First Vice-Chairman Krikorian asked if the RPX substances, such as phenazopyridine, were allowed for horses that had inflammation from working out. Dr. Arthur said the RPX substances were allowed. Any drug that had a therapeutic basis was allowed and any exceptions with conditions were included in the regulations. He stated the big change was in a decrease in use of anabolic steroids. They were allowed if a horse was sick or debilitated; however, the horse would be placed on the Veterinarian's List for six months. Greg Avioli, Thoroughbred Owners of California (TOC), said TOC wanted to clarify its position on the review of horses off 120 days. TOC wished to ensure horse safety and to reduce catastrophic injury. However, TOC was not sure that it was clear regarding exactly what was causing an increase in injury over the last two years. The

proposed amendments would substantially expand testing programs that were currently in place, and the costs of testing. TOC wanted to do what made sense and did not believe there were sufficient statistics on the actual injuries. TOC believed there were a number of areas that could be addressed immediately, such as an increased number of veterinarians on the tracks during morning workouts. He stated the proposed amendments were a dramatic expansion of out-of-competition testing, with California considered to have the best out-of-competition testing in the country. The expansion would give the CHRB the authority to test horses not just while they were on the race track, but also on farms in California, as well as anywhere in America. He said TOC was requesting time to talk with owners, trainers, CHRB staff, and Dr. Arthur to go through the changes so they could be thoroughly understood. He stated he asked his colleagues around the country and he did not believe any other major racing association had adopted similar amendments. Executive Director Baedeker said New York and Kentucky were in the process of adopting similar regulations. He stated the proposed amendments would not require out-of-competition testing; they would permit it and establish parameters for such testing. Testing was currently done out of state, and the contract with the Maddy lab allowed additional testing without additional costs. He said he understood TOC's point about a pre-meeting; however, the most appropriate venue for discussion was a committee meeting and then to bring the issue to the Board. Chairman Winner said he agreed that Committee meetings were the appropriate place for discussions in order to go through the process, and to allow for the public to participate. Dr. Arthur said the proposed amendments had been a long term process. The Stronach Group, Del Mar, Oak Tree, CTT, TOC, and national organizations all participated. The TOC was copied on all correspondence. All drug testing was a deterrent, with a goal of no positives. Commissioner Solis stated he talked to many trainers on the backside about the proposed amendments, and most

of the trainers were good with the rules. He said it was very important to improve the safety of horses and jockeys. Dr. Scott Stanley, UC Davis, stated he believed California was fortunate to have an agreement between CHRB and UC Davis to allow additional testing at no additional cost. The additional work was an expected increase and would be absorbed in the program. First Vice-Chairman Krikorian asked if the purpose of out-of-competition testing was to reduce injuries to horses. Dr. Arthur said it was an integrity program to regulate performance-enhancing drugs that were not detectable in post-race testing. First Vice-Chairman Krikorian said he did not want to lose sight of the fact that track surfaces and conditions were also important, and did not want the area of possible injury to be overlooked. Chairman Winner stated he believed everyone agreed with that, and there were discussions with racing associations' regarding surfaces. The associations were working with the Board and progress was being made. Dr. Arthur said breakdowns or injuries were multi-factorial. Commissioner Solis **motioned** to direct staff to initiate a 45-day public comment period regarding the proposed amendments to Rules 1858, 1859, 1859.25, 1867, and the proposed addition of Rule 1859.1 and 1869, and to include Dr. Arthur's two technical changes. Second Vice-Chairman Auerbach **seconded** the motion which was **unanimously carried**. Roll Call Vote: Aye: Ruano, Choper, Krikorian, Winner, Auerbach, Solis. Nay: None. Motion carried.

**DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED ADDITION OF CHRB RULE 1868, AUTHORIZED MEDICATION DURING WORKOUTS, TO ESTABLISH THRESHOLD LIMITS FOR THE PRESENCE OF CERTAIN DRUG SUBSTANCES AND MEDICATION IN OFFICIAL TEST SAMPLES TAKEN FROM HORSES AFTER THEY COMPLETE A TIMED WORKOUT.**

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This item was removed from the agenda.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE **PROPOSED AMENDMENT TO CHRB RULE 1844, AUTHORIZED MEDICATION**, TO 1) PROVIDE THAT NOT MORE THAN ONE AUTHORIZED CORTICOSTEROID ANTI-INFLAMMATORY DRUG SUBSTANCE MAY BE ADMINISTERED TO A HORSE THAT IS ENTERED TO RACE AND TO; 2) IDENTIFY THE AUTHORIZED DRUG SUBSTANCES.

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This item was removed from the agenda.

**MEETING ADJOURNED AT 11:47 A.M.**

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

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Chairman

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Executive Director

**California Horse Racing Board**

**APRIL 6, 2017**

**REGULAR BOARD MEETING**

**There is no board package material for Item 3**

## STAFF ANALYSIS

### DISCUSSION AND ACTION BY THE BOARD REGARDING THE DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE DEL MAR THOROUGHBRED CLUB'S 2016 SUMMER RACE MEETING IN THE AMOUNT OF \$113,084 TO EIGHT BENEFICIARIES

Regular Board Meeting  
April 6, 2017

#### ISSUE

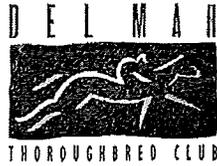
Del Mar Thoroughbred Club is requesting approval to distribute race day charity proceeds generated at its 2016 summer racing meet. Del Mar Thoroughbred Club is proposing a total distribution of \$113,084. The organizations selected and amounts to be distributed are listed on the attachment. Staff notes that 100 percent of the proposed charity distributions are made to equine related charity organizations.

#### BACKGROUND

Business and Professions Code section 19550 states the Board shall require each licensed racing association that conducts 14 or less weeks of racing to designate three racing days, and each licensed racing association that conducts more than 14 weeks of racing to designate five racing days during any one meeting, to be conducted as charity days by the licensee for the purpose of distribution of the net proceeds there from to beneficiaries through the distribution agent. No racing association shall be required to pay to a distributing agent for the purpose of distribution to beneficiaries more than an amount equal to two-tenths of one percent of the association's total on-track handle on live races conducted by the association at the meeting. Business and Professions Code section 19555 requires that proceeds are to be distributed to beneficiaries within 12 calendar months after the last day of the meet during which charity days were conducted. Business and Professions Code section 19556 provides that the distributing agent shall make the distribution to beneficiaries qualified under this article. At least 30 percent of the distribution shall be made to charities associated with the horse racing industry. An additional five percent shall be paid to a welfare fund and another five percent shall be paid to a non-profit corporation, the primary purpose of which is to assist horsemen and backstretch personnel who are being affected adversely as a result of alcohol or substance abuse. In addition to the above distributions, a separate 20 percent shall be made to a nonprofit corporation or trust, the directors or trustees of which shall serve without compensation except for reimbursement for reasonable expenses, and which has as its sole purpose the accumulation of endowment funds, the income on which shall be distributed to qualified disabled jockeys.

#### RECOMMENDATION

This item is presented for Board discussion and action. Staff recommends the Board approve the charity race day distribution as presented.



Josh Rubinstein  
Executive Vice President &  
Chief Operating Officer

March 3, 2017

Mr. Rick Baedeker  
Executive Director  
California Horse Racing Board  
1010 Hurley Way, Suite 300  
Sacramento, CA 95825

Dear Mr. Baedeker:

The Del Mar Thoroughbred Club Board of Directors has allocated charity day proceeds from our 2016 Summer Race Meet as set forth below for the California Horse Racing Board's consideration and approval:

California Retirement Management Account (CARMA)*	\$ 49,685
Permanently Disabled Jockeys Fund *	22,617
Racing & Medication Consortium*	10,974
Winners Foundation*	5,654
Edwin J. Gregson Foundation*	11,000
California Thoroughbred Horsemen's Foundation*	5,654
California Center for Equine Health and Performance*	4,000
Race Track Chaplaincy/Southern California*	<u>3,500</u>
<b>TOTALS:</b>	<b>\$113,084</b>
*Equine Related Charities	\$113,084
Non - Equine Related	-0-
Percentage of Equine Related Charities	100%

Attached you will find a schedule describing the charitable organizations listed above. Thank you for your attention to this matter. If you need further information please contact me.

Very truly yours,

Josh Rubinstein  
Chief Operating Officer

cc: Jacqueline Wagner



## 2016 CHARITABLE ORGANIZATIONS

**CARMA** – CARMA is a charitable 501 (c) (3) organization that was created to raise money for retired California racehorses. It is dedicated to the goal of providing funding for their rehabilitation, retraining and/or retirement. CARMA collects funds from racehorse owners, racetracks and other racing groups and organizations, then redistributes the funds to those farms and facilities that prove themselves worthy and capable of fulfilling the group's goal. Two of Del Mar's previous charity recipients -- California Equine Retirement Foundation and Tranquility Farm – now receive aid directly through the CARMA arrangement. Madeline Auerbach is CARMA's Founders Chair, Howard Zucker, President, Billy Koch is the newly elected Board Secretary. (Contact phone: 626-574-6654; [www.carma4horses.org](http://www.carma4horses.org))

**Permanently Disabled Jockeys Fund** – Founded in 2006, it is a collaborative effort of many leaders in the horse racing industry, including racetracks, jockeys, horsemen and many others who had a vision of a program that would bring much-needed financial assistance to a group of athletes who have given so much to the sport of horse racing. The PDJF is governed by an independent board comprised of stakeholders from a broad cross-section of the horse racing industry. The mission of PDJF is to promote financial support to permanently disabled jockeys living with a catastrophic on-track injury; provide financial support and assistance for permanently disabled jockeys; and to promote medical research dedicated to reducing catastrophic injuries within the horse racing industry. Nancy LaSala is the group's president. (Contact phone: 630-595-7655; [www.pdjf.org/](http://www.pdjf.org/))

**Racing Medication and Testing Consortium** -- Founded in 2000 by a cross-section of racing leaders, the Racing Medication and Testing Consortium (RMTC) has a primary goal of developing and promoting uniform rules, policies and testing standards at the national level for racehorses. The tax-deductible organization strives to develop and promote uniform rules, policies and testing standards at the national level; coordinate research and educational programs that seek to ensure the integrity of racing and the health and welfare of racehorses and participants; and to protect the interest of the racing public. It is currently governed by a Board of Directors consisting of 23 racing industry stakeholders. Executive assistant for administration is Robin Comer. (Contact phone: 859-224-2844; [www.rmtcnet.com/](http://www.rmtcnet.com/))

**Winners Foundation** – The Winners Foundation was established in 1984 as a non-profit organization to provide information, support and referral sources to employees and family members of the California horse racing community who are being adversely affected as a result of alcohol and/or substance abuse. There is no charge to anyone seeking aid through the group, which has aided and guided thousands of individuals since its inception. It is currently headed by Bob Fletcher. (Contact phone: 626-574-6498; <http://winnersfoundation.org/>)

**Edwin J. Gregson Foundation** – The foundation has a primary goal of benefitting and enhancing the quality of life of California's backstretch workers and their families. It was originally founded by the California Thoroughbred Trainers (CTT) in 1998 and renamed in memory of veteran trainer and past CTT president Edwin J. Gregson, who was the driving force behind its start. Notable among its benefits are the college scholarships it provides annually to family members of backstretch workers. Jenine Sahadi currently heads the foundation. (Contact phone: 626-447-2145; [www.gregsonfoundation.com](http://www.gregsonfoundation.com))

**California Thoroughbred Horsemen's Foundation** – The California Thoroughbred Horsemen's Foundation (CTHF) is a non-profit charitable foundation dedicated to improving the quality of life in the community of stable workers at California's racetracks and training centers. It was founded in 1983 and, among its other projects, currently conducts Monday through Friday medical and dental clinics in both Northern and Southern California that are free for stable workers and their families. Ken Smole is President and Chair of CTHF. (Contact phone: 626-446-0169; [www.cthf.info/](http://www.cthf.info/))

**California Center for Equine Health and Performance** – The Center for Equine Health (CEH) was established at University of California Davis School of Veterinary Medicine in 1973. The primary purpose of CEH is to serve as an administrative and academic umbrella for research into means and methods of improving equine health and performance. In conjunction with this, it produces a series of publications that disseminate its findings and pertinent information. Additionally, it serves as the West Coast's quarantine and treatment station for the potentially devastating venereal disease contagious equine metritis. The center is headed by the renowned veterinarian Gregory L. Ferraro, current Director is Dr. Claudia Sonder, DVM, [csonder@ucdavis.edu](mailto:csonder@ucdavis.edu) (Contact phone: 530-752-6433;

**Race Track Chaplaincy/Southern California (RTCA/SC)** – The RTCA/SC is a nonprofit organization that was established in 1971 and ministers to the spiritual, emotional, physical and social/educational needs of horse racing's workers. RTCA/SC is an affiliate of Race Track Chaplaincy of America, which has 77 chaplains serving over 117 race tracks throughout the United States and Canada. RTCA/SC provides services at Santa Anita, Los Alamitos and Del Mar. Nolton Patio, DVM, is its president. (Contact phone: 626-574-6438; <http://rtcasc.com/>)

CHRB ANALYSIS

Del Mar Thoroughbred Club, 2016 Summer Meet Charity Day Proceeds

#	Nonprofit Organization	Amount	Proposed Disbursement Percentage	Percentage Required By Horse Racing Law (from the 2/10 of 1%)	Notes
1	California Center for Equine Health and Performance	4,000.00	4%		a
2	California Thoroughbred Horsemen's Foundation	5,654.00	5%	minimum of 5%	b
3	CARMA	49,685.00	44%		a
4	Edwin J. Gregson Foundation	11,000.00	10%		a
5	Racing & Medication Consortium	10,974.00	10%		a
6	Racetrack Chaplaincy of American (Southern Ca Council)	3,500.00	3%		a
7	Winners Foundation	5,654.00	5%	minimum of 5%	c
8	Permanently Disabled Jockeys' Fund	22,617.00	20%	minimum of 20%	d
	<b>Total Horse Related Charities</b>	<b>\$ 113,084.00</b>	<b>100%</b>	<b>minimum of 60%</b>	<b>a</b>
	Notes:				
	a	30% to charities associated with the horse racing industry (B&P 19556 (b))			
	b	5% to welfare fund for backstretch personnel (B&P 19641 (b))			
	c	5% to nonprofit organization to assist horsemen and backstretch personnel affected by			
	d	20% to nonprofit organization that benefits qualified disabled jockeys (B&P 19556			
	e	overall a minimum of 50% of the charity distribution should go to horse racing industry related nonprofit organizations.			

Background information for each organization is attached.

STAFF ANALYSIS  
DISCUSSION AND ACTION BY THE BOARD REGARDING THE DISTRIBUTION OF  
RACE DAY CHARITY PROCEEDS OF THE DEL MAR THOROUGHBRED CLUB 2016  
FALL RACE MEETING IN THE AMOUNT OF \$18,114 TO FOUR BENEFICIARIES

Regular Board Meeting  
April 6, 2017

ISSUE

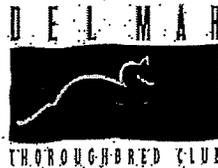
Del Mar Thoroughbred Club is requesting approval to distribute race day charity proceeds generated at its 2016 fall racing meet. Del Mar Thoroughbred Club is proposing a total distribution of \$18,114. The organizations selected and amounts to be distributed are listed on the attachment. Staff notes that 100 percent of the proposed charity distributions are made to equine related charity organizations.

BACKGROUND

Business and Professions Code section 19550 states the Board shall require each licensed racing association that conducts 14 or less weeks of racing to designate three racing days, and each licensed racing association that conducts more than 14 weeks of racing to designate five racing days during any one meeting, to be conducted as charity days by the licensee for the purpose of distribution of the net proceeds there from to beneficiaries through the distribution agent. No racing association shall be required to pay to a distributing agent for the purpose of distribution to beneficiaries more than an amount equal to two-tenths of one percent of the association's total on-track handle on live races conducted by the association at the meeting. Business and Professions Code section 19555 requires that proceeds are to be distributed to beneficiaries within 12 calendar months after the last day of the meet during which charity days were conducted. Business and Professions Code section 19556 provides that the distributing agent shall make the distribution to beneficiaries qualified under this article. At least 30 percent of the distribution shall be made to charities associated with the horse racing industry. An additional five percent shall be paid to a welfare fund and another five percent shall be paid to a non-profit corporation, the primary purpose of which is to assist horsemen and backstretch personnel who are being affected adversely as a result of alcohol or substance abuse. In addition to the above distributions, a separate 20 percent shall be made to a nonprofit corporation or trust, the directors or trustees of which shall serve without compensation except for reimbursement for reasonable expenses, and which has as its sole purpose the accumulation of endowment funds, the income on which shall be distributed to qualified disabled jockeys.

RECOMMENDATION

This item is presented for Board discussion and action. Staff recommends the Board approve the charity race day distribution as presented.



Josh Rubinstein  
Executive Vice President &  
Chief Operating Officer

March 3, 2017

Mr. Rick Baedeker  
Executive Director  
California Horse Racing Board  
1010 Hurley Way, Suite 300  
Sacramento, CA 95825

Dear Mr. Baedeker:

The Del Mar Thoroughbred Club Board of Directors has allocated charity day proceeds from our 2016 Fall Race Meet as set forth below for the California Horse Racing Board's consideration and approval:

California Retirement Management Account (CARMA)*	\$ 12,679
Permanently Disabled Jockeys Fund *	3,623
Winners Foundation*	906
California Thoroughbred Horsemen's Foundation*	<u>906</u>
<b>TOTALS:</b>	<b>\$ 18,114</b>
*Equine Related Charities	\$ 18,114
Non - Equine Related	-0-
Percentage of Equine Related Charities	100%

Attached you will find a schedule describing the charitable organizations listed above. Thank you for your attention to this matter. If you need further information please contact me.

Very truly yours,

Josh Rubinstein  
Chief Operating Officer

cc: Jacqueline Wagner



## 2016 CHARITABLE ORGANIZATIONS - FALL

**CARMA** – CARMA is a charitable 501 (c) (3) organization that was created to raise money for retired California racehorses. It is dedicated to the goal of providing funding for their rehabilitation, retraining and/or retirement. CARMA collects funds from racehorse owners, racetracks and other racing groups and organizations, then redistributes the funds to those farms and facilities that prove themselves worthy and capable of fulfilling the group's goal. Two of Del Mar's previous charity recipients – California Equine Retirement Foundation and Tranquility Farm – now receive aid directly through the CARMA arrangement. Madeline Auerbach is CARMA's Founders Chair, Howard Zucker, President, Billy Koch is the newly elected Board Secretary. (Contact phone: 626-574-6654; [www.carma4horses.org](http://www.carma4horses.org))

**Permanently Disabled Jockeys Fund** – Founded in 2006, it is a collaborative effort of many leaders in the horse racing industry, including racetracks, jockeys, horsemen and many others who had a vision of a program that would bring much-needed financial assistance to a group of athletes who have given so much to the sport of horse racing. The PDJF is governed by an independent board comprised of stakeholders from a broad cross-section of the horse racing industry. The mission of PDJF is to promote financial support to permanently disabled jockeys living with a catastrophic on-track injury; provide financial support and assistance for permanently disabled jockeys; and to promote medical research dedicated to reducing catastrophic injuries within the horse racing industry. Nancy LaSala is the group's president. (Contact phone: 630-595-7655; [www.pdjf.org/](http://www.pdjf.org/))

**Winners Foundation** – The Winners Foundation was established in 1984 as a non-profit organization to provide information, support and referral sources to employees and family members of the California horse racing community who are being adversely affected as a result of alcohol and/or substance abuse. There is no charge to anyone seeking aid through the group, which has aided and guided thousands of individuals since its inception. It is currently headed by Bob Fletcher. (Contact phone: 626-574-6498; <http://winnersfoundation.org/>)

**California Thoroughbred Horsemen's Foundation** – The California Thoroughbred Horsemen's Foundation (CTHF) is a non-profit charitable foundation dedicated to improving the quality of life in the community of stable workers at California's racetracks and training centers. It was founded in 1983 and, among its other projects, currently conducts Monday through Friday medical and dental clinics in both Northern and Southern California that are free for stable workers and their families. Ken Smole is President and Chair of CTHF. (Contact phone: 626-446-0169; [www.cthf.info/](http://www.cthf.info/))

## CHRB ANALYSIS

### Del Mar Thoroughbred Club, 2016 Summer Meet Charity Day Proceeds

#	Nonprofit Organization	Amount	Proposed Disbursement Percentage	Percentage Required By Horse Racing Law (from the 2/10 of 1%)	Notes
1	California Thoroughbred Horsemen's Foundation	906.00	5%	minimum of 5%	b
2	California Retirement Management Account	12,679.00	70%		a
3	Winners Foundation	906.00	5%	minimum of 5%	c
4	Permanently Disabled Jockeys' Fund	3,623.00	20%	minimum of 20%	d
	<b>Total Horse Related Charities</b>	<b>\$ 18,114.00</b>	<b>100%</b>	<b>minimum of 60%</b>	<b>a</b>
	Notes:				
	<b>a</b>	30% to charities associated with the horse racing industry (B&P 19556 (b))			
	<b>b</b>	5% to welfare fund for backstretch personnel (B&P 19641 (b))			
	<b>c</b>	5% to nonprofit organization to assist horsemen and backstretch personnel			
	<b>d</b>	20% to nonprofit organization that benefits qualified disabled jockeys (B&P			
	<b>e</b>	overall a minimum of 50% of the charity distribution should go to horse racing industry related nonprofit organizations.			

Background information for each organization is attached.

## STAFF ANALYSIS

April 6, 2017

Issue: APPLICATION FOR AUTHORIZATION TO OPERATE A SIMULCAST WAGERING FACILITY OF PECHANGA RESORT AND CASINO OPERATED BY THE PECHANGA BAND OF LUISENO MISSION INDIANS.

Pechanga Resort and Casino (Pechanga) filed an application for a license to operate a simulcast wagering facility. Pechanga proposes to begin operations May 1, 2017.

Pechanga is located on the Pechanga Indian Reservation - City of Temecula. The proposed wagering site will be located in Riverside County in the southern zone.

Pechanga proposes to operate 24 hours a day, seven days per week without exception.

Admission Charges

- There are no fees charged for admission or parking.

Number of pari-mutuel terminal machines available is 15; Seating capacity is 65; the number of tables in the simulcast wagering area is 15. Roberts Communication Network and California Horse Racing Information Management System will provide data transmission (telecommunications) service.

Specific information **still needed** to complete this application includes:

1. Guest agreement with Southern California Off-Track Wagering, Inc.
2. Responses to Declarations section.
3. Written consent of quarter horse and harness horsemen's organizations.
4. Name of Simulcast Facility Supervisor.

RECOMMENDATION:

If the application is considered for approval, staff recommends a contingent approval pending the submission of outstanding items.

STATE OF CALIFORNIA  
 CALIFORNIA HORSE RACING BOARD  
 APPLICATION FOR AUTHORIZATION TO OPERATE A SIMULCAST WAGERING FACILITY  
 CHR-B-25 (Rev. 4/92)

Application is hereby made to the California Horse Racing Board (CHRB) for authorization to operate a simulcast wagering facility in accordance with the California Business and Professions Code (B&P), Chapter 4, Division 8 (Horse Racing Law) and the California Code of Regulations, Title 4, Division 4 (CHRB Rules and Regulations).

Name of applicant association, fair, or tribal facility:  
 Pechanga Resort & Casino

Location of facility (City and County):  
 Pechanga Indian Reservation - City of Temecula and Riverside County

Mailing address of association, fair, or tribal facility:  
 Attn: General Manager  
 45000 Pechanga Parkway  
 Temecula, CA, 92592

Telephone number:  
 1 (888) 732-4264

Name and title of the managing officer or tribal council representative of the applicant association, fair, or tribal facility:  
 Edith Atwood, President

Name of the affiliated (simulcast) organization(s) that will operate the pari-mutuel wagering at the facility:  
 Southern California Off-Track Wagering LTD

The regular schedule for operation of the facility will be as follows:  
 24 hours a day

Inclusive date during which the applicant proposes to operate as a simulcast wagering facility during the current racing year:  
 May 1, 2017 and then ongoing

Application must be filed not later than 90 days before the scheduled start date for operation of the proposed facility pursuant to CHRB Rule 2057.

**CHRB CERTIFICATION**

Application filed on: 3/23/17  
 Reviewed by: CH  
 Date of Hearing: 4/6/17

Approved on:  
 License number issued:  
 Date tribal compact approved: 3/4/16

**OPERATION OF THE SIMULCAST WAGERING FACILITY**

Inclusive hours for operation of the facility:

Daily     Wed - Sun     Tues - Sat     Other - specify:

Inclusive time periods during the calendar year the facility **will not** be utilized as a simulcast wagering facility:

None

Exceptions to the foregoing:

If approved, wagering will be offered on live race meetings being held or conducted by the following racing associations:

RACE MEETING	BREED	DAY OR NIGHT
Santa Anita	Thoroughbred	Day
Del Mar Thoroughbred Club	Thoroughbred	Day
Los Angeles County Fair	Thoroughbred	Day
Los Alamitos Racecourse	Thoroughbred/Quarter Horse	Day & Night
Watch and Wager	Harness	Night
Pacific Racing Association	Thoroughbred	Day
Alameda County Fair	Thoroughbred/Emerging Breeds	Day
California State Fair	Thoroughbred/Emerging Breeds	Day
Sonoma County Fair	Thoroughbred/Emerging Breeds	Day
Humboldt County Fair	Thoroughbred/Emerging Breeds	Day
Oak Tree @ Pleasanton	Thoroughbred/Emerging Breeds	Day
The Big Fresno Fair	Thoroughbred/Emerging Breeds	Day

Dates during which the applicant will conduct or has conducted live horse racing during the current racing year (if none, so state): None

**ELIGIBILITY FOR APPROVAL AS A GUEST ASSOCIATION**

The applicant association is:     Racing Association     Fair  
    Tribal Facility                     Other Business Entity

COMPLETE THE APPLICABLE SUBSECTION:

**RACING ASSOCIATION** - approval pursuant to B&P Section 19605.

The name under which the association is licensed by the Board:

The names and titles of management personnel assigned to the facility:

**FAIR**

Approval is requested pursuant to B&P Section  19605.1 OR  19605.2.

Correct title of the fair or fair association:

Names and titles of the present fair directors:

Names and titles of management personnel assigned to the simulcast wagering facility:

**TRIBAL FACILITY**

Approval is requested pursuant to the Tribal-State Compact signed on August 4, 2016.

The name of the tribe under which the Tribal-State Compact was approved:  
Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation

Names and titles of management personnel assigned to the facility:  
Mike May, Vice President of Table Games

If applicable, names and titles of management personnel comprising management company or other entity operating gaming and simulcast wagering at the facility:  
N/A

Has the management company or other entity been approved by the U. S. Bureau of Indian Affairs?  
 Yes  No N/A If yes, the date of that approval \_\_\_\_\_.

**NOTICE TO APPLICANT** Changes to management personnel and Simulcast Facility Supervisor(s) must be immediately reported to the Board.

**CONCESSIONAIRES AND VENDORS**

The concessionaires, vendors, and other entities providing food service, beverage service, racing selection services, janitorial or custodial service, or other service or supplies within the simulcast wagering facility are (specify the name and type of service of supplies):  
In-house

Other vendors to be permitted to sell products or services outside, but on the premises of, the simulcast wagering facility are:  
None

**SUPERVISION, SECURITY AND FIRE PREVENTION**

The names of all persons to be employed as a Simulcast Facility Supervisor at the simulcast wagering facility: TBD

The workers' compensation insurance carrier and the policy number securing the applicant's liability for payment of workers' compensation is (if self-insured, give details): See attached

Attach a copy of the Certificate of Insurance.

Attach a fire clearance from the fire authority having jurisdiction.  
Pechanga Casino has their own fire department at the facility.

The name of the person having responsibility for security controls at the facility is:  
Robert Krauss, Vice President of Department of Public Safety

The number of security officers and/or guards to be regularly employed at the facility is:  
100+

The police or sheriff's department having jurisdiction for criminal law enforcement over the premises of the facility is:  
Riverside County Sheriff's Office

Specify the name, address and telephone number of the emergency ambulance service the applicant will utilize in event of illness or injury at the facility:

Pechanga Fire Department has a fire station for emergency care within 100 yds. of facility.  
48240 Pechanga Road  
Temecula, CA 92592  
Station 1 (951) 770-6001; Station 2 (951) 770-8990

Does the applicant propose to have emergency medical care available at the facility:

Yes                       No                      If yes, describe:  
Facility staff's 24 hr EMS technicians

**EQUIPMENT PROVIDED BY THE GUEST ASSOCIATION**

Describe the television equipment (simulcast receivers, decoders, controls, monitors, etc.) to be utilized at the facility:

Roberts Communications receiver and decoders

Describe the public address equipment (controls, microphones, speakers, etc.) to be utilized at the facility:

In-house public address system throughout Facility with directional controls.

Attach a detailed scale plan of the facility indicating all points of access, emergency exits, and the placement of offices and food and beverage service locations. See attached.



CALIOFF-02

PRZEMIELEWSKIS

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)  
3/10/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: License # 0E67768 IOA Insurance Services 3875 Hopyard Road Suite 240 Pleasanton, CA 94588	CONTACT NAME: Sara Przemielewski	
	PHONE (A/C, No, Ext): (925) 660-3531 50035	FAX (A/C, No):
E-MAIL ADDRESS: Sara.Przemielewski@ioausa.com		
INSURED  California Off Track Wagering, Inc. C/O DMTC P.O. BOX 700 Del Mar, CA 92014	INSURER(S) AFFORDING COVERAGE	
	INSURER A: State Compensation Insurance Fund of CA	
	NAIC# 35076	
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

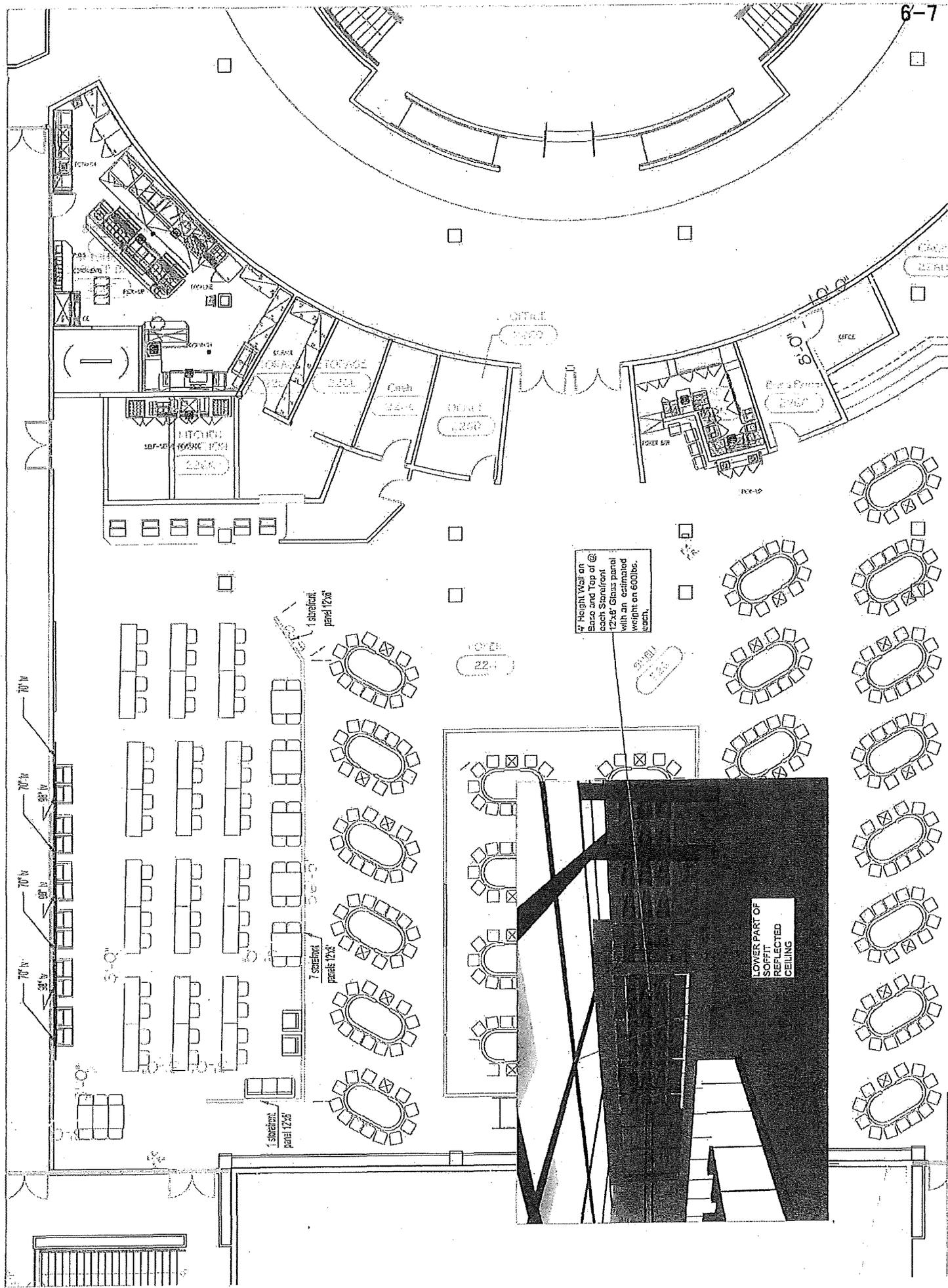
**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC -OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE  DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	906221416	06/30/2016	06/30/2017	X PER STATUTE    OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Southern California Off Track Wagering - New location  
 Pechanga Resort and Casino  
 45000 Pechanga Pkwy  
 Temecula, CA 92592

<b>CERTIFICATE HOLDER</b>  California Horse Racing Board 1010 Hurley Way, Suite 300 Sacramento, CA 95825	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 



4' height Wall on Base and Top of each Stairfront 12x8' Glass panel with an estimated weight on 600lbs. each.

LOWER PART OF SOFFIT REFLECTED CEILING

**PARI-MUTUEL EQUIPMENT AND WAGERING SERVICES**

Describe the pari-mutuel equipment, odds displays, modems or muxes, and method of data transmission to be utilized (include the number of pari-mutuel terminals to be on-site):

AmTote provides the totalisator wagering equipment, which will include 15 pari-mutuel terminals. Roberts Communication Network/CHRIMS provides data transmission (telecommunication) service.

Will the applicant be responsible for maintenance of the pari-mutuel equipment?

Yes       No

AmTote is responsible for the maintenance of the pari-mutuel equipment.

Describe the method by which patron complaints regarding wagering operation and/or the facility or its employees may be filed: Patrons may report pari-mutuel wagering problems to mutuel department customer service representatives who have received training which enables them to troubleshoot and resolve wagering problems. These staff members also coach newcomers through the process of learning how to bet. Facility operation issues may be reported to the Facility manager.

Has the applicant made arrangements to provide for the encashment of valid pari-mutuel tickets issued at other facilities or at California race meetings?

Yes       No

**ADMISSIONS, CHARGES AND SERVICE FEES**

The admissions charges are:

- Level 1 (Gen. Adm.) No charge
- Level 2 (Premium CH) N/A
- Level 3 (Membership) N/A

Parking Charges are:

- Level 1 (General) None
- Level 2 (Premium)
- Level 3 (Valet)

Program costs are: Determined by the Host Track

Seating costs, if any, are: None

## FOOD AND BEVERAGE SERVICE

Describe the food and beverage services to be offered (full meals served; cafeteria-style full meals; short-order counter service; pre-ordered prepared sandwiches and fast foods available; full bar services; barn counters; or other description as appropriate): Full menu and bar service available. menus attached.

The seating capacity in the general admission area is: 65

The number of tables in the general admission area is: 15

The seating capacity in the premium area is: N/A

The number of tables in the premium area is: N/A

Overall square footage in the public general admission area is: 3,200

Overall square footage in the public premium admission area is: N/A

Overall square footage available for "overflow" attendance: 12,500

Describe occupancy restrictions, if any, imposed by the fire authority having jurisdiction: 828

The total number of parking spaces available in the combined parking areas can accommodate (number of standard sized automobiles): 7,000

Describe any other activities to be scheduled on or near the facility premises that may have a negative impact on available parking: N/A

## AGREEMENTS

Fair applicants must attach the resolution of its governing body that determined that the conduct of simulcast wagering at its fair facility best serves the interest of the fair.

Attach a copy of the agreement between the applicant and the (simulcast) organizations(s) that sets forth therein the duties of the respective parties.

Guest Agreement with SCOTWInc. attached

Attach a copy of the written consent of the horsemen's organization(s), if applicable, consenting to the acceptance of wagers at the facility. See attached

## NOTICES TO APPLICANT

Notice is given to the applicant that its application, if approved by the Board, authorizes the applicant to offer pari-mutuel wagering at its simulcast facility until notified otherwise.

<b>S</b>	Chinese Chicken Salad	\$7.95
<b>T</b>	Chicken Caesar Salad	\$7.95
<b>A</b>	Cobb Salad	\$7.95
<b>R</b>	Chef's Salad	\$7.95
<b>T</b>	Dinner Side Salad	\$3.25
<b>T</b>	Seasonal Fruit Platter	\$6.95
<b>E</b>	Soup of the Day	\$5.25
<b>R</b>	Bowl of Chili	\$4.95
<b>S</b>	Buffalo Wings	\$9.25
<b>S</b>	Chili Cheese Fries	\$4.25
<b>&amp;</b>	French Fries	\$3.25
<b>S</b>	Onion Rings	\$3.95
<b>N</b>	Chips & Salsa	\$2.95
<b>A</b>	Chips & Guacamole	\$4.75
<b>C</b>	Bag of Chips	\$1.50
<b>K</b>	Snack Bags	\$3.25
	*Assortment of Fruits & Nuts, Pretzels	

**GELATO & SORBET**

(Chocolate, Vanilla, Strawberry Gelato)  
(Lemon, Mango & Raspberry Sorbet)

Single Scoop	\$3.95
Double Scoop	\$4.79
Plain Waffle Cone	\$1.50
Dipped Waffle Cone	\$1.95
Banana Split	\$6.95

<b>B</b>	Classic Burger	\$5.75
<b>U</b>	Classic Double Burger	\$7.75
<b>R</b>	Classic Cheese Burger	\$6.75
<b>G</b>	Bacon Cheese Burger	\$7.25
<b>E</b>	Philly Cheese Steak	\$7.95
<b>R</b>	Steak Sandwich	\$8.95
<b>S</b>	Pastrami Sandwich	\$8.25
<b>&amp;</b>	Reuben Sandwich	\$8.25
<b>S</b>	Patty Melt	\$6.75
<b>S</b>	Grilled Chicken Sandwich	\$7.25
<b>A</b>	Grilled Cheese	\$3.95
<b>N</b>	Beef Hot Dog	\$4.25
<b>D</b>	Turkey Sandwich	\$6.75
<b>W</b>	Ham Sandwich	\$6.75
<b>I</b>	Roast Beef Sandwich	\$6.75
<b>C</b>	Add-ons	
<b>H</b>	French Fries	\$1.50
<b>E</b>	Onion Rings	\$1.95
<b>S</b>	Chili, Cheese, Sauerkraut	\$0.50
	Bacon	\$1.00
	Chef's Delectable Special	\$7.95

\*Ask server for scrumptious meal

**PASTRIES & DESSERTS**

Assorted Pastries	\$3.50
*Danish, Cinnamon Bun, Croissants	
Assorted Dessert	\$4.75
*Carrot Cake, Chocolate Cake, Cheese Cake, Lemon Raspberry, Eclair, Fruit Tart, Raspberry Mousse, Tiramisu, Opera, Napoleon	

<b>B</b>	Milk	\$3.00
<b>E</b>	Mocha Freeze	\$4.75
<b>V</b>	Vanilla Freeze	\$4.75
<b>R</b>	Strawberry Smoothie	\$4.75
<b>A</b>	Strawberry-Banana Smoothie	\$4.75
<b>S</b>	Berry Blast Smoothie	\$4.75
	Chocolate Shake	\$3.75
	Vanilla Shake	\$3.75
	Thai Tea	\$4.25
	*Add Boba	\$0.75

**HOT DRINKS**

Small	Large
\$3.95	\$4.25
\$4.25	\$5.75
\$4.25	\$4.75
\$3.75	\$4.50
\$4.25	\$4.75
Single	Double
\$3.25	\$4.25

**FROZEN YOGURT**

(Chocolate & Vanilla)

Small	\$3.50
Medium	\$4.75
Large	\$6.75



**PLATTER (Served with Home Fries)**

<b>B</b>	Steak & Eggs	\$8.95
<b>R</b>	Bacon & Eggs	\$6.95
<b>E</b>	Sausage & Eggs	\$6.95
<b>A</b>	Egg & Bacon Sandwich	\$5.75
<b>K</b>	Egg & Sausage Sandwich	\$5.75
<b>F</b>	Breakfast Burrito	\$6.25
<b>A</b>	Oatmeal	\$3.75
<b>S</b>	Side of Home Fries	\$2.95
<b>T</b>	Donut	\$1.25

\*\*Served from Yain to Lam

**Asian Flair**

<b>S</b>	Egg Drop or Hot & Sour	\$5.25
<b>T</b>	Wonton Soup	\$5.25
<b>A</b>	BBQ Spare ribs	\$5.25
<b>R</b>	Cream Cheese Wontons	\$5.25
<b>T</b>	Egg Rolls	\$5.75
<b>E</b>	Appetizer Sampler	\$6.25
<b>R</b>	Steamed Rice	\$3.25
<b>S</b>	Fried Rice or Chow Mein	\$4.25
<b>&amp;</b>	1 Entrée	\$7.25
<b>E</b>	2 Entrée	\$8.25
<b>N</b>	3 Entrée	\$9.25

\*choice of Kung Pao Chicken, Teriyaki Chicken, Beef & Broccoli, Tofu & Vegetable, Orange Chicken, BBQ Spare ribs, Basil Chicken

\*Include choice of Steamed or Fried Rice or Chow Mein

**Teriyaki Bowl** \$8.25

\*Choice of Orange Chicken or Teriyaki Chicken with Mixed Vegetables and Steamed Rice

**BURRITO**

<b>S</b>	Bean & Cheese	\$4.25
<b>P</b>	Regular Burrito	\$8.25
<b>E</b>	Barbacoa Burrito	\$8.25
<b>C</b>	Carne Asada Burrito	\$8.25
<b>I</b>	Fish Burrito	\$8.25
<b>A</b>	Shrimp Burrito	\$8.25
<b>L</b>	Fish Taco Plate	\$9.25
<b>T</b>	Shrimp Taco Plate	\$9.25
<b>V</b>	Crispy Ground Beef Taco Plate	\$7.25
	Crispy Chicken Taco Plate	\$7.95
	Chimichanga Plate	\$9.25
	Enchilada Plate	\$7.25
	California Burrito Plate	\$9.25

\*Served with Rice & choice of Beans

<b>T</b>	Taco Salad	\$8.95
<b>A</b>	Vegetable Fajitas	\$8.25
<b>C</b>	Meat Fajitas	\$8.95
<b>I</b>	Super Nachos	\$9.95
<b>L</b>	Street Tacos	\$6.95
<b>T</b>	Carne Asada Fries	\$9.95
<b>V</b>	Cheese Quesadilla	\$4.75
	Chef's Delectable Special	\$7.95

\*Ask server for scrumptious meal

**TACO**

	Crispy Chicken Taco	\$3.25
	Crispy Ground Beef Taco	\$3.25
	Carne Asada Taco	\$3.75

**Mexican Delight**

<b>S</b>	Beans (Refried or Black)	\$1.95
<b>I</b>	Spanish Rice	\$1.75
<b>T</b>	Tortilla (Corn or Flour)	\$1.75
<b>D</b>	Sour Cream	\$1.00
<b>E</b>	Guacamole	\$1.75
<b>S</b>	Cheese Sauce	\$0.75
	Extra/Add Meat	\$2.00

**Italian Cucina**

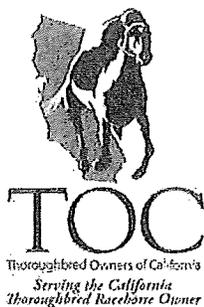
**PIZZA & PASTA**

	Slice of Cheese Pizza	\$4.75
	Slice of Pepperoni	\$5.25
	Slice of Assorted Toppings	\$5.25
	Specialty Pita Pizza	\$7.95
	Spaghetti w/Sauce	\$6.25
	Spaghetti w/Meatballs	\$8.25
	Chicken Alfredo	\$8.25
	Meat Lasagna	\$8.25

**SALAD, SANDWICH & SIDE**

	Antipasto Salad	\$7.95
	Meatball Sandwich	\$8.25
	Sausage Sandwich	\$8.25
	Garlic Bread	\$1.00





March 14, 2017

Ms. Laurel Houle  
 Regulations Analyst  
 California Horse Racing Board  
 1010 Hurley Way, Suite #300  
 Sacramento, CA 95825

RE: Pechanga Tribal Satellite Wagering Facility

Dear Ms. Houle,

The Thoroughbred Owners of California approves the licensing by the California Horse Racing Board of the Pechanga tribal satellite wagering facility.

Sincerely,

Greg Avioli  
 President

xc: Rick Baedeker, CHRB Executive Director  
 George Haines, SCOTWINC General Manager

**OFFICERS**

NICK ALEXANDER  
 CHAIR  
 BILL STRAUSS  
 VICE CHAIR, SOUTHERN CA. &  
 SECRETARY/TREASURER  
 JACK OWENS  
 VICE CHAIR, NORTHERN CA.  
 MIKE PEGRAM  
 AT LARGE  
 MIKE HARRINGTON  
 AT LARGE  
 ED MOGER  
 AT LARGE

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 BOB BAFFERT  
 JOE CIAGLIA  
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 RON ELLIS  
 GARY FENTON  
 TERRY LOVINGIER  
 SAMANTHA SIEGEL  
 KATHY WALSH

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 PRESIDENT & CEO  
 MARY FORNEY  
 EXECUTIVE DIRECTOR  
 LIZ MOREY  
 NORTHERN CALIFORNIA LIAISON  
 ELSA PERON  
 ADMINISTRATIVE ASSISTANT

**CHAIRS EMERITUS**

ED FRIENDLY (1996-97)  
 ROBERT B. LEWIS (1997-2001)  
 GARY BURKE (2001)  
 JACK B. OWENS (2001-03, 04-05,  
 2011)  
 RON CHARLES (2003-04)  
 ALAN LANDSBURG (2005-07)  
 MARSHA NAIFY (2007-10)  
 ARNOLD ZETCHER (2010-11)

**CORPORATE OFFICE**

285 W. HUNTINGTON DRIVE  
 ARCADIA, CA 91007  
 T: 626-574-6620  
 F: 626-821-1515  
 WWW.TOCOONLINE.COM

Notice is also given that retention of and control over all moneys generated from pari-mutuel wagering held or conducted at the facility is the responsibility of the (simulcast organization(s) which contract(s) to provide the pari-mutuel equipment and pari-mutuel employees; and that such organization(s) is (are) responsible for its proper distribution in accordance with the law and the rules and regulation of the Board.

Notice is also given that CHRB Rules 1870 and 1871 require that the Board be given 15 days Notice is also given that CHRB Rules 1870 and 1871 require that the Board be given 15 days notice in writing of any intention to terminate operations, engagements, or services by any licensee, approved concessionaire, or approved service contractor.

## DECLARATIONS

All labor agreements, concession contracts, service contracts, horsemen's agreement, lease agreements and agreement with the (simulcast organization(s) necessary to conduct and operate the simulcast wagering program at the facility have been finalized except as follows (if there are no exceptions, so state):

All service contractors and concessionaires have valid State, County or City licenses authorizing each to engage in the type of service to be provided and have valid labor agreements (when applicable) which remain in effect for the entire term of the approval except as follows (if there are no exceptions, so state):

Absent natural disasters or causes beyond the control of the applicant, its service contractors, concessionaires or employees engaged at the facility, no reasons are believed to exist that may result in a stoppage to the conduct of pari-mutuel wagering at the facility or the withholding of any vital service to the applicant except as follows (if there are no exceptions, so state):

By authority of Article 9.2, of the California B&P Code; and the Federal Indian Gaming Act; in order to allow an evaluation of the competence, integrity, and character of potential simulcast facility operators authorized by the CHRB, any person, corporation, trust association, partnership, joint venture, or management firm who submits an application for such authorization or who is named in such application and who is not a State or County entity, or has not previously completed such disclosure when filing for a horseracing application pursuant to Article 4, Section 19480 of the California B&P Code shall be required to complete and submit a full disclosure statement.

**CERTIFICATION BY APPLICANT**

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant to attest to this application on its behalf.



\_\_\_\_\_  
Edith Atwood

\_\_\_\_\_  
Signature

3/22/17

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

STAFF ANALYSIS  
PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE PROPOSED  
AMENDMENT TO CHRB RULE 1632, JOCKEY'S RIDING FEE, TO ADJUST THE  
JOCKEY RIDING FEE SCALE PURSUANT TO BUSINESS AND PROFESSIONS CODE  
SECTION 19501

Regular Board Meeting  
April 6, 2017

ISSUE

The proposal to amend Rule 1632 was heard for adoption at the November 2016 Regular Board Meeting. In December 2016, the completed rulemaking file was sent to the Office of Administrative Law (OAL) for review. On January 24, 2017, the OAL disapproved the regulation on the grounds that it failed to comply with the Clarity and Necessity standard of Government Code section 11349.1. In its disapproval the OAL provided that the proposed subdivision 1632(b) was unclear because the language of subdivision 1632(b)(4) only provided the methodology for calculating the minimum jockey riding fees for second and third place mounts for races with gross purses between \$10,000 and \$100,000, and did not include races with gross purses over \$100,000. The OAL also stated subdivision 1632(b) was unclear because it removed the minimum jockey riding fee for second and third place mounts for races with a gross purse between \$5,000 and \$9,999 while increasing the minimum jockey riding fee for losing mounts for the same races, and did not include the amount or methodology for calculating the jockey riding fees for second and third place mounts at this purse level. The OAL stated subdivision 1632(b) removed the second mount, third mount and losing mount minimum jockey riding fees for races with gross purses between \$1,500 and \$4,999 without discussing or providing the purpose and necessity for the removal. To address the OAL's concerns, the proposed text of subsection 1632(b) was modified to specify the dollar amount for second and third place mounts for races with gross purses between \$5,000 and \$9,999. Subsection 1632(b)(4) was modified to include the methodology for calculating the minimum jockey riding fees for races with gross purses over \$100,000. Subsection 1632(a) was modified to remove gross purses below \$5,000 to maintain consistency with subsection 1632(b). An initial 15-day public comment period for the proposed amendment was initiated on February 7, 2017, and closed February 21, 2017. During the 15-day public comment period one comment was received on behalf of the Jockey's Guild, Inc. The comment included an alternate text, to amend subsection 1632(a) to state "*(a) Winning jockey riding fees in the absence of a contract or special agreement are 10% of the Win Purse.*" This would replace the current subsection 1632(a) chart with a single narrative sentence; however, it would not change current practice. The Jockey Guild proposal also amended subsection 1632(b) to remove gross purses \$5,000 to \$9,999, and instead state "*Less than \$10,000.*" The riding fees listed under the "Less than \$10,000" category would apply to all fees for second place, third place and losing mounts in races where the gross purse is less than \$10,000. This is a change to current practice as the same fees would apply to all races with gross purses under \$10,000. At the February 2017 Regular Board meeting, the Board endorsed the Jockey's Guild proposal and directed staff to initiate a new 15- day public comment period.

The new 15-day public comment period ended March 13, 2017. The Board may adopt the proposed amendment as presented.

## ANALYSIS

The proposed amendment to Rule 1632 addresses the mount fee disparities by changing the non-winning jockey riding fee chart under subsection 1632(b) to reflect only the dollar sums to be paid jockeys riding losing mounts, and by adding new subsections 1632(b)(3) through 1632(b)(5) to provide direction for calculating jockey riding fees for second and third place mounts. The 1632 rulemaking file was submitted to OAL for review in December 2016. The file was disapproved based on the Clarity and Necessity standard, as the proposed subdivision 1632(b) was unclear because the language of subdivision 1632(b)(4) only provided the methodology for calculating the minimum jockey riding fees for second and third place mounts for races with gross purses between \$10,000 and \$100,000, and did not include races with gross purses over \$100,000. The OAL also stated subdivision 1632(b) was unclear because it removed the minimum jockey riding fee for second and third place mounts for races with a gross purse between \$5,000 and \$9,999 while increasing the minimum jockey riding fee for losing mounts for the same races, and did not include the amount or methodology for calculating the jockey riding fees for second and third place mounts at this purse level. The OAL stated subdivision 1632(b) removed the second mount, third mount and losing mount minimum jockey riding fees for races with gross purses between \$1,500 and \$4,999 without discussing or providing the purpose and necessity for the removal. To address the OAL's concerns, subsection 1632(b) was modified to specify the dollar amount for second and third place mounts for races with gross purses between \$5,000 and \$9,999. Subsection 1632(b)(4) was modified to include the methodology for calculating the minimum jockey riding fees for races with gross purses over \$100,000. Subsection 1632(a) was modified to remove gross purses below \$5,000 to maintain consistency with subsection 1632(b).

At the February 2017 Regular Board meeting, the Board endorsed the Jockey's Guild proposal and directed staff to initiate a new 15-day public comment period. The comment included an alternate text which amended subsection 1632(a) to state "*(a) Winning jockey riding fees in the absence of a contract or special agreement are 10% of the Win Purse.*" The amendment replaced the current subsection 1632(a) chart with a single narrative sentence; however, it did not change current practice. The Jockey Guild proposal also amended subsection 1632(b) to remove gross purses \$5,000 to \$9,999, and instead state "*Less than \$10,000.*" The riding fees listed under the "Less than \$10,000" category applied to all fees for second place, third place and losing mounts in races where the gross purse was less than \$10,000. This was a change to current practice as the same fees would apply to all races with gross purses under \$10,000.

## BACKGROUND

Business and Professions Code section 19401(a) and (d) provides that the intent of Chapter 4 is to allow pari-mutuel wagering on horse races, while assuring protection of the public and providing uniformity of regulation for each type of horse racing. Business and Professions Code section 19420 states jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do

with the operation of such meetings, is vested in the California Horse Racing Board. Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all horse races with wagering on their results shall be conducted in California. Assembly Bill (AB) 649, Chapter 605, Statutes of 2007, added section 19501 to the Business and Professions Code. Subsection 19501(b)(1) states that the scale of minimum jockey riding fees for losing mounts shall be increased whenever the State minimum wage is increased by the percentage of that increase.

Board Rule 1632, Jockey's Riding Fee, provides a scale of jockey riding fees to be used in the absence of a contract or special agreement.

Senate Bill (SB) 3, Chapter 4, Statutes of 2016, amended section 1182.12 of the Labor Code, to increase California's minimum hourly wage. January 1, 2017, the minimum hourly wage increased 5 percent from \$10.00 to \$10.50 an hour. Under SB 3, the minimum hourly wage will continue to increase each year by \$1.00 per hour through January 1, 2022, when the minimum wage will reach \$15.00 per hour.

The proposed amendment to Rule 1632 was submitted to the OAL for review in December 2016. In January 2017, the OAL disapproved the regulatory action based on the Clarity and Necessity standard of Government Code section 11349.1. The text of the proposed amendment was modified to address the OAL's concerns, and staff initiated a 15-day public comment period. The 15-day comment period ended February 21, 2017. One comment was received on February 13, 2017, on behalf of the Jockey's Guild, Inc. The comment included the proposal to amend subsection 1632(a) to state "(a) Winning jockey riding fees in the absence of a contract or special agreement are **10% of the Win Purse.**" The proposal also amended subsection 1632(b) to remove gross purses \$5,000 to \$9,999, and instead state "**Less than \$10,000.**"

#### RECOMMENDATION

This item is presented for Board discussion and action. No comments were received during the 15-day comment period.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 6. ENTRIES AND DECLARATIONS  
PROPOSED AMENDMENT TO  
RULE 1632. JOCKEY'S RIDING FEE

Single underlined text represents the original language noticed to the public from September 9, 2016 to October 24, 2016.

Deletions to the original noticed text appear as ~~bold double strikethrough~~ and new and revised text appears as bold double underlined.

1632. Jockey's Riding Fee.

(a) Winning jockey riding fees in the absence of a contract or special agreement are 10% of the Win Purse.

<u>GROSS PURSE</u>	<u>Winning Mount</u>
<u>\$100,000 and up: . . . .</u>	<u>10% of Win Purse</u>
<del>50,000-99,999: . . . .</del>	<del>10% of Win Purse</del>
<del>25,000-49,999: . . . .</del>	<del>10% of Win Purse</del>
<del>15,000-24,999: . . . .</del>	<del>10% of Win Purse</del>
<del>10,000-14,999: . . . .</del>	<del>10% of Win Purse</del>
<del>5,000-9,999: . . . .</del>	<del>10% of Win Purse</del>
<del>3,500-4,999: . . . .</del>	<del>10% of Win Purse</del>
<del>2,000-3,499: . . . .</del>	<del>10% of Win Purse</del>
<del>1,500-1,999: . . . .</del>	<del>10% of Win Purse</del>

(1) The purpose of subsection (a) is not to set a minimum or maximum fee. It provides a fee if the parties have not made a written agreement to the contrary.

(2) All fees pursuant to subsection (a) are payable in the lower purse range until the next higher purse range is reached, unless there is a written agreement to the contrary.

(b) ~~Non-winning jockey~~ Jockey riding fees for losing mounts are:

<u>GROSS PURSE</u>	<u>2nd Mount</u>	<u>3rd Mount</u>	<u>Losing Mount</u>
<u>\$100,000 and up: . . . .</u>	<u>5% of Place Purse, plus \$10.00</u>	<u>5% of Show Purse, plus \$10.00</u>	<u>\$168.74 177.18</u>
<u>50,000-99,999: . . . .</u>	<u>5% of Place Purse, plus \$10.00</u>	<u>5% of Show Purse, plus \$10.00</u>	<u>137.49 144.37</u>
<u>25,000-49,999: . . . .</u>	<u>5% of Place Purse, plus \$10.00</u>	<u>5% of Show Purse, plus \$10.00</u>	<u>118.74 124.68</u>
<u>15,000-24,999: . . . .</u>	<u>5% of Place Purse, plus \$10.00</u>	<u>5% of Show Purse, plus \$10.00</u>	<u>106.24 111.55</u>

10,000-14,999: . . . .	5% of Place Purse, plus \$10.00	5% of Show Purse, plus \$10.00	99.99	<u>104.99</u>
<del>5,000-9,999</del> <u>Less than</u> <u>\$10,000: . . . . .</u>	<del>\$112.49</del> <u>\$118.12</u>	<del>\$96.25</del> <u>\$101.06</u>	93.75	<u>98.44</u>
3,500-4,999: . . . . .	-99.99	-87.49	81.25	
2,000-3,499: . . . . .	-87.49	-81.25	78.75	
1,500-1,999: . . . . .	-74.99	-72.49	72.49	

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(1) The purpose of subsection (b) is to set a minimum, but not a maximum riding fee. No non-winning jockey shall be paid less than the riding fee set forth in subsection (b).

(2) All fees pursuant to subsection (b) are payable in the lower purse range until the next higher purse range is reached unless there is a written agreement to the contrary. However, no such written agreement shall reduce the minimum required by subsection (b).

(3) To determine the horse owner's place purse or show purse when calculating non-winning jockey riding fees, the Paymaster of Purses shall use the purse agreement provided in the Horsemen's Agreement for the race meeting at which the jockeys earned such fees. The losing mount fee shall be paid as provided under subsection (b) of this rule.

(4) For horse races with gross purses between \$10,000 and \$100,000 and up, a minimum of five percent of the horse owner's place purse or show purse plus \$10.00 shall be used when calculating the second place and third place non-winning jockey riding fees.

(5) If the losing mount fee is equal to or greater than the third place mount fee, the Paymaster of Purses shall adjust the mount fees so that the third place mount shall earn \$2 more than the losing mount, and the second place mount shall earn \$2 more than the third place mount.

(c) A jockey's fee is considered earned when the jockey is weighed out by the clerk of scales. The fee shall not be considered earned if the jockey elects to take himself off of his mount. If there is a substitution of jockeys, no additional jockey fee or double jockey fee need be paid except when ordered by the stewards.

(d) In this rule "Win Purse" means the amount paid the winning horse less the fees paid exclusively by the owner to enter the horse in the race;

(1) Entry, nomination or other fees paid shall not be deducted from a jockey riding fee if such fees are paid or reimbursed by any person or entity other than the owner.

(e) If the parties agree on the fee to be paid the jockey, a contract or agreement in writing signed by the jockey or his agent and the owner or his authorized agent specifying the agreed upon fee if a winning mount, second place mount, third place mount and losing mount shall be delivered to the paymaster of purses before the running of the race in question. The paymaster of purses shall debit the owner's purse account under the contract or written agreement. If no contract or written agreement is submitted before the running of the race in question, the paymaster of purses shall debit the owner's purse account under the fee scale set forth in this rule.

(f) A jockey may not share in the fees of another jockey.

Authority: Sections 19440, 19501 and 19562,  
Business and Professions Code.

Reference: Sections 19401 (a), 19401(d), 19420, 19440, 19501, and 19502,  
Business and Professions Code.

PUBLIC HEARING AND ACTION, BY THE BOARD REGARDING  
THE PROPOSED AMENDMENT TO  
CHRB RULE 1433, APPLICATION FOR LICENSE TO CONDUCT A  
HORSE RACING MEETING,  
TO REQUIRE THAT RACING ASSOCIATIONS INCLUDE A FUROSEMIDE  
AGREEMENT WHEN SUBMITTING AN APPLICATION FOR LICENSE  
AND PROPOSED AMENDMENT TO  
CHRB RULE 1845, AUTHORIZED BLEEDER MEDICATION,  
TO REQUIRE THAT AUTHORIZED RACE DAY BLEEDER MEDICATION  
BE ADMINISTERED BY INDEPENDENT, THIRD PARTY VETERINARIANS

Regular Board Meeting

April 6, 2017

## ISSUE

Furosemide (Lasix) is a diuretic administered to horses to prevent exercise-induced pulmonary hemorrhage (EIPH), which is a condition wherein pulmonary bleeding occurs when capillaries in horses' lungs burst as a result of the exertion from intense exercise or racing. In 2013 the Racing Commissioners International (RCI) incorporated Racing Medication and Testing Consortium (RMTC) recommendations in a Model Rule, which requires that Lasix be the only medication authorized for administration on race day, and limits Lasix administration to no less than four hours prior to post time for the race in which the horse is entered. The RCI Model Rule also requires that Lasix administration be performed only by third-party veterinarians or veterinary technicians who are prohibited from working as private veterinarians or technicians at the racetrack or with participating licensees. The proposed amendment to Rule 1845, Authorized Bleeder Medication, will bring the Board's regulations in line with the RMTC/RCI recommendations regarding the administration of Lasix.

The proposed amendment to Rule 1433, Application for License to Conduct a Horse Racing Meeting, is necessary to ensure the Board receives a copy of the racing association's race-day furosemide administration agreement.

## ANALYSIS

On December 13, 2016, the rulemaking file for the proposed amendment of Rule 1433 and Rule 1845 was submitted to the Office of Administrative Law (OAL) for review. On January 27, 2017, OAL notified the Board of the disapproval of the regulatory action. In its disapproval decision OAL stated the regulations failed to comply with the "clarity" standard of Government Code section 11349.1. Additionally, the Board failed to follow all required procedures under the California Administrative Procedure Act, Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code (secs. 11340-11361). One of OAL's primary objections to the proposed regulations was the lack of an evidentiary chain of custody related to the syringe used in administering race day furosemide. The OAL stated the language of subsection 1845(h) conflicted with the Board description of the effect of subsection 1845(h) in the rulemaking file. Further, the OAL stated the Board should add the evidentiary procedures to section 1845. In

addition, the OAL stated neither section 1433 nor section 1845 provided what the furosemide agreement required under subsection 1845(e) must include. Persons directly affected by the proposed regulation would not know how to comply with the furosemide agreement requirement.

On March 16, 2017, a 15 day public comment period was initiated to address the concerns expressed in the OAL disapproval decision. The text of the proposed amendment to Rule 1845 has been modified to add the items that must be included in an agreement to provide race day furosemide and to set forth the chain of custody for syringes used to administer race-day furosemide. No modifications were made to the text of Rule 1433; however, the forms Application for License to Conduct a Horse Racing Meeting, CHRB-17 (Rev. 01/16) (CHRB-17), and Application for License to Conduct a Horse Racing Meeting of a California Fair, CHRB-18 (Rev. 01/16) (CHRB-18), which are incorporated by reference in Rule 1433, were modified primarily to correct spelling and grammar. (Deletions to the text of Rule 1845 and Rule 1433 appear as ~~Double Strikethrough~~ and new revised text appears as Double Underlined.)

Subsection 1845(b)(2)(B) has been modified to replace "licensed person" with "licensed employee." The change was made for purposes of consistency, as subsection 1845(d)(1) provides that a licensed employee of the trainer may be present and observe the furosemide administration. The change will ensure the same terminology is applied in reference to the person who may be assigned by the trainer to ensure the care custody and control of the horse in the pre-race security stall, and the person who observes the race-day furosemide administration.

Subsection 1845(d)(1) has been modified to remove the owner as one of the persons who shall be present and observe the furosemide administration. While the owner may observe the furosemide administration, it is impractical to require the owner's presence, and in fact may place an unnecessary burden on the owner.

Subsection 1845(e) has been modified to state what the race-day furosemide agreement must include. The requirements are: a description of the racing association's program for administration of race-day furosemide, the minimum level of staffing necessary to carry out the program, and the projected costs to horsemen for such administration. Rule 1845 provides the framework for the third party administration of race-day furosemide, but exactly how each racing association will implement its program may vary due to the size and duration of the race meeting. Santa Anita Park Race Track, which ran 126 days in 2015, and had 8,954 runners, would have very different requirements than the Humboldt County Fair, which ran six days in 2015, and had only 324 runners. To provide third party race-day furosemide administration the racing association must engage at least one furosemide veterinarian and may engage California registered veterinary technicians, depending on the size of the race meeting. Requiring the racing association and horsemen to reach an agreement ensures the program will have the minimum number of necessary staff. Listing the projected costs to horsemen for the third party administration of race-day furosemide will ensure horse owners and trainers are fully informed and in agreement with the racing association.

A new subsection 1845(e)(2) provides for the chain of custody for syringes used to administer third party race-day furosemide. The parties that witness the administration of race-day furosemide shall sign the form CHRB 36 (New 08/04) Bleeder Treatment Report. The CHRB 36

is the document that identifies the horse that was administered furosemide, the date of furosemide administration, and time of furosemide administration as well as the race in which the horse is entered. The syringe used to administer furosemide shall be placed in an evidence bag which will be sealed in front of the witnesses who will sign the sealed evidence bag. Once sealed, the evidence bag cannot be opened without destroying the bag. The syringe shall then be provided to the Board and securely stored until all testing of the horse is completed. Subsection 1845(h) has been modified to conform with the new subsection 1845(e)(2). The revised subsection 1845(h) states the syringe used to administer furosemide shall be provided to and securely stored by the Board until all testing of the horse is completed. The subsection previously required the syringe be "retained by the Board."

The proposed modifications to Rule 1433 will change the wording of section 23.C. of the form CHRB-17 and section 22.C. of the form CHRB-18 to require that applicant racing associations attach an agreement to provide for race-day furosemide in accordance with Rule 1845. The change will make the language of the forms consistent with subsection 1845(e), which requires the horsemen's organization, the trainer's organization and the racing association to enter into an agreement to provide for race-day furosemide administration, and to submit the agreement to the Board.

## BACKGROUND

Business and Professions Code section 19440 states the Board has all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in California. Business and Professions Code section 19580 requires the Board to adopt regulations to establish policies, guidelines, and penalties relating to equine medication to preserve and enhance the integrity of horse racing in California. Business and Professions Code section 19581 states that no substance of any kind shall be administered by any means to a horse after it has been entered to race, unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof. Business and Professions Code section 19582 provides that violations of section 19581 are punishable as set forth in regulations adopted by the Board.

At its October 2012 Regular Meeting the Board approved amendments to CHRB Rule 1845, Authorized Bleeder Medication, to require that authorized bleeder medication be administered by independent, third party veterinarians. During the 45-day public comment period objections were raised by private veterinarians and the California Veterinary Medical Board (CVMB). Those in opposition to the proposed amendment stated it violated the veterinary medical practice act by interfering with the client-veterinarian-patient relationship required for prescription medications since furosemide is a federal prescription medication. Revisions were made to the text and the proposed amendment came before the Board at the March 21, 2014 Regular Board Meeting. At that meeting the Executive Officer of the CVMB spoke in opposition to the amendment citing conflicts with existing statutes and regulations related to the veterinarian-client-patient relationship, and the dispensing of dangerous drugs. CHRB Counsel met with representatives of

the VMB to make revisions, and correct any issues of conflict with existing statutes and regulations. The proposed amendment to Rule 1845 was subsequently noticed for a 45-day public comment period.

At the August 2015 hearing for adoption, a lengthy discussion was held regarding the proposed amendment. The Board determined the issue would be returned to the Medication and Track Safety Committee so that outstanding issues could be resolved. At the September 2015 Medication and Track Safety Committee meeting, the committee indicated it supported a modified version of the proposed text. The committee version would require that Lasix be administered by a designated furosemide veterinarian, or by a veterinary technician under the direction of the furosemide veterinarian.

At the September 2015 Regular Board Meeting staff was directed to initiate a 45-day public comment period for the Medication and Track Safety Committee modified 1845 text and the proposed amendment to Rule 1433. The 45-day comment period ended May 9, 2016. The 45-day notice stated the Lasix veterinarian and the registered veterinary technician shall not have had a current business relationship or prior veterinarian-client-patient relationship with participating licensees within 180 days of the date he or she is employed to administer Lasix, while the text stated the period of time to be 30 days. The correct period of time is 30 days, so a 15-day notice of modification of Initial Statement of Reasons and Notice was issued to correct the discrepancy and allow for additional public comment. The 15-day notice period ended June 15, 2016. The hearing for adoption was held on June 16, 2016, at Santa Anita Park Race Track. On December 13, 2016, the rulemaking file was submitted to the Office of Administrative Law (OAL) for review. On January 27, 2017, OAL notified the Board of the disapproval of the regulatory action. A 15-day public notice period regarding changes to the text of Rule 1433 and Rule 1845 began on March 16, 2017 and ended March 31, 2017. No comments were received during the 15-day public comment period.

#### RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 15. VETERINARY PRACTICES  
RULE 1845. AUTHORIZED BLEEDER MEDICATION

1845. Authorized Bleeder Medication.

The only authorized bleeder medication for the control of exercise-induced pulmonary hemorrhage (EIPH) shall be furosemide, and it shall only be administered to by a horse single intravenous injection, in a dosage of not less than 150 mg and not more than 500 mg, on the grounds of the racetrack where the horse will race, and no later than four hours prior to the post time of the race for which the horse is entered. It shall only be administered to a horse that is registered on the authorized bleeder medication list.

(a) A horse is eligible to race with registered on the authorized bleeder medication if the licensed list as follows:

(1) The trainer and/or the owner's veterinarian determines it is in the horse's best interest. If a horse will race with authorized bleeder medication, form shall determine whether furosemide is medically necessary to control EIPH and is not otherwise contraindicated for that horse; and

(2) Prior to entry for race, the official veterinarian approves form CHRB-194 (New Rev. 01/1608/04), Authorized Bleeder Medication and Medical History Request, which is hereby incorporated by reference, shall be used submitted to notify the official veterinarian prior to entry by the trainer and owner's veterinarian.

(b) The official laboratory shall measure the specific gravity of post-race urine samples to ensure samples are sufficiently concentrated for proper chemical analysis. The specific gravity of such samples shall not be below 1.010.

~~(e) If the specific gravity of the post-race urine sample is determined to be below 1.010, or if a urine sample is not available for testing, quantitation of furosemide in serum or plasma shall then be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.~~

(b) Once registered, any horse that will be administered furosemide shall:

(1) Arrive on the grounds of the racetrack where the horse will race no later than five hours prior to the post time of the race for which the horse is entered; and

~~(d)(2) A horse qualified to race with authorized bleeder medication shall be~~ Be assigned to a pre-race security stall prior to the scheduled post time for the race in which it is entered, and shall remain there until it is taken to the receiving barn or the paddock to be saddled or harnessed for the race.

(A) The pre-race security stall shall be identified by the posting of a form CHRB-234 (New 01/1609/15), Detention Stall signSign, which is hereby incorporated by reference. The trainer shall post the Detention Stall signSign no later than eight hours prior to the post time of the race for which the horse is entered or, for a horse arriving from off the grounds of the racetrack, when the horse is placed in the pre-race security stall.

(B) While in the pre-race security stall, the horse shall be in the care, custody, control, and constant view of the trainer, or a licensed ~~person~~ employee assigned by the trainer. The trainer shall be responsible for the condition, care and handling of the horse while it remains in the pre-race security stall.

(C) The official veterinarian may permit a horse to leave the pre-race security stall to engage in track warm-up heats prior to a race.

~~(e) A horse qualified for administration of authorized bleeder medication must be treated on the grounds of the racetrack where the horse will race no later than four hours prior to post time of the race for which the horse is entered. The authorized bleeder medication, furosemide, shall be administered by a single intravenous injection only, in a dosage of not less than 150 mg.~~

(c) Furosemide shall be administered only after:

(1) The trainer, owner, or not more than 500 mg. A horse racing with furosemide must show a detectable concentration of the drug in the post-race serum, plasma or urine sample. The the owner's veterinarian-administering has consulted with the furosemide veterinarian regarding the condition of the horse and the furosemide veterinarian has examined the horse sufficient to establish a veterinary-client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032.1; or

(2) The trainer, owner, or owner's veterinarian has consulted with the bleeder medication shall the official veterinarian or racing veterinarian and the furosemide veterinarian has examined the horse sufficient to establish a veterinary-client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032.1, and that the consulting official veterinarian or racing veterinarian directly supervises the furosemide veterinarian, or California registered veterinary technician, who administers furosemide.

(d) The person who administers furosemide pursuant to subsection (e)(1) of this regulation shall notify the official veterinarian of the treatment of the horse. Such Notificationnotification shall be made using on form CHRB-form-36 (New 08/04), Bleeder Treatment Report, which is hereby incorporated by reference, not later than two hours prior to post time of the race for which the horse is entered. Upon the request of a Board representative,

~~the veterinarian administering the authorized bleeder medication shall surrender the syringe used to administer such medication, which may then be submitted for testing.~~

(1) The owner, and trainer or a licensed employee of the trainer shall be present and observe the furosemide administration.

(e) The horsemen's organization, trainers' organization, and racing association shall enter into an agreement to provide for race-day furosemide administration. The agreement to provide for race-day furosemide administration procedures shall be submitted to the Board for approval in accordance with Rule 1433 of this Division. The agreement shall describe the racing association's program for the administration of race-day furosemide, the minimum level of staffing necessary to carry out the program, and the projected costs to horsemen for such administration.

(1) Furosemide shall be administered by a furosemide veterinarian or California-registered veterinary technician under the direct supervision of the furosemide veterinarian. The furosemide veterinarian or California registered veterinary technician who provides race-day furosemide administration shall be employed by the racing association and shall not have a current business relationship, or prior veterinarian-client-patient relationship, with participating licensees within 30 days of the date he or she is employed to administer furosemide.

(2) All parties present during the administration of furosemide shall certify in writing that they have witnessed the furosemide administration by signing the form CHRB-36 (Rev. 02/17), Bleeder Treatment Report. The furosemide veterinarian or California registered veterinary technician shall place the syringe used to administer furosemide in an evidence bag which will be sealed in front of the witnesses. The witnesses shall sign the sealed evidence bag. The

syringe used to administer furosemide shall be provided to and securely stored by the Board in accordance with subsection (h) of this regulation.

(23) "Furosemide veterinarian" is defined as the veterinarian, licensed by the Board, and hired by the racing association to administer race-day furosemide to horses registered on the authorized bleeder medication list.

(34) "Owner's veterinarian" is defined as the veterinarian, licensed by the Board, and hired by the owner to provide veterinary care to horses.

(f) A horse registered to be administered furosemide shall receive 250 mg of furosemide intravenously unless an alternative dose of not less than 150 mg and not more than 500 mg has been determined after consultation between the trainer, owner, or owner's veterinarian, and the furosemide veterinarian pursuant to subsection (c).

(g) In the event of an adverse reaction or other emergency related to the administration of furosemide, the furosemide veterinarian, or California registered veterinary technician, who administered furosemide shall attend the horse until the arrival of the owner's veterinarian.

(h) The syringe used to administer furosemide shall be provided to and ~~retained~~ securely stored by the Board until all testing of the horse is completed. In the event of a positive test finding as defined in this article, the Board may order, or the owner or trainer may request, the retained syringe be tested for prohibited substances. The results of the test may be used in any action before the Board.

(i) A horse that has been administered furosemide must show a detectable concentration of the drug in ~~the~~ post-race serum, plasma, or urine samples, as follows:

(1) The official laboratory shall measure the specific gravity of post-race urine samples to ensure samples are sufficiently concentrated for proper chemical analysis. The specific gravity of such samples shall not be below 1.010.

(2) If the specific gravity of the post-race urine sample is determined to be below 1.010, or if the urine sample is not available for testing, quantitation of furosemide in serum or plasma shall then be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

~~(f)~~(j) A horse ~~placed~~ registered on the official authorized bleeder medication list must remain on the list unless the ~~licensed trainer and/or owner's~~ veterinarian requests ~~that~~ the horse be removed. The request must be made using form CHRB form 194 (New Rev. 01/1608/04), and must be submitted to the official veterinarian prior to the time of entry. A horse removed from the authorized bleeder medication list may not be placed back on the list for a period of 60 calendar days unless the official veterinarian determines it is ~~detrimental to the welfare of~~ medically necessary for the horse. If a horse is removed from the authorized bleeder medication list a second time in a 365-day period, the horse may not be placed back on the list for a period of 90 calendar days.

~~(g)~~(k) If the official veterinarian observes a horse bleeding externally from one or both nostrils during or after a race or workout, and determines such bleeding is a direct result of EIPH, the horse shall be ineligible to race for the following periods:

- First incident -14 days;
- Second incident within 365-day period -30 days;
- Third incident within 365-day period -180 days;
- Fourth incident within 365-day period -barred ~~for~~ from racing lifetime.

For the purposes of counting the number of days a horse is ineligible to run, the day after the horse bled externally is the first day of such period. ~~The voluntary administration of authorized bleeder medication without an external bleeding incident shall not subject a horse to the initial period of ineligibility as defined under this subsection.~~

(1) The owner(s) of a registered horse shall:

(1) Pay all costs associated with the materials used in the administration of furosemide, ~~to include~~ including the syringe and medication, and:

(2) Reasonable administrative costs as set under the race-day furosemide agreement entered into by the horsemen's organization, trainers' organization, and the racing association.

(3) Consent to the procedures in this section and agree that the pre-race examination conducted under the direction of the official veterinarian or racing veterinarian shall constitute a veterinary-client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032.1.

Authority: Sections 19440 and 19562,  
Business and Professions Code.

Reference: Sections 19580, ~~and-19581~~ and 19582,  
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 3. RACING ASSOCIATION  
PROPOSED AMENDMENT OF  
RULE 1433, APPLICATION FOR LICENSE TO  
CONDUCT A HORSE RACING MEETING

1433. Application for License to Conduct a Horse Racing Meeting.

(a) Unless the Board requires an earlier filing, at least 90 days before the time allocated by the Board for a race meeting to start, the association shall file with the Board an Application for License to Conduct a Horse Racing Meeting, CHRB-17 (Rev. 12/1516), which is hereby incorporated by reference. Note: CHRB-17 incorporates by reference, the Personal History Record, CHRB-25A (Rev. 11/08). A California fair shall file with the Board an Application for License to Conduct a Horse Racing Meeting of a California Fair, CHRB-18 (Rev. 12/1516), which is hereby incorporated by reference. Copies of the CHRB-17 and CHRB-18 may be obtained at the California Horse Racing Board headquarters office.

Authority: Sections 19420 and 19440,  
Business and Professions Code.

Reference: Section 19480, 19481, 19481.3 and 19562,  
Business and Professions Code.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

**1. APPLICANT ASSOCIATION**

- A. Name, mailing address, telephone, fax numbers, and the email address for associations contact person:
- B. Breed of horse: TB  QH  H
- C. Racetrack name:
- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to Business and Professions Code section 19490.
- E. Was the association licensed to operate a race meeting prior to January 1, 2001?

Yes  No

If no, attach a surety bond in the amount of one hundred thousand dollars.

**NOTICE TO APPLICANT:** No application for a license to conduct a race meeting shall be granted unless the applicant has deposited with the Board a surety bond in the amount of one hundred thousand dollars (\$100,000), or a greater amount, as determined by the ~~board~~Board, which is sufficient to ensure payment of employee wages and benefits including, but not limited to, health, welfare, and pension plans. The surety bond shall be maintained during the period of the meeting and for an additional period, as determined by the ~~board~~Board, sufficient to assure that all payments are made. This subdivision does not apply to any person or association licensed to operate a horse race meeting prior to January 1, 2001, which has conducted a race meeting in each of the immediate three previous consecutive calendar years. The \$100,000 surety bond amount may be increased to an amount determined by the Board at the time the application is scheduled for hearing pursuant to Business and Professions Code section 19464(b).

**NOTICE TO APPLICANT:** Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

**2. DATES OF RACE MEETING**

- A. Inclusive dates allocated for the entire meeting:
- B. Actual dates racing will be held:
- C. Total number of days or nights of racing:
- D. Days or nights of the week races will be held:  
 Wed - Sun  Tues - Sat  Other (specify)
- E. Number of days or nights of racing per week:

<b>CHRB CERTIFICATION</b>	
Application received:	Hearing date:
Deposit received:	Approved date:
Reviewed:	License number:

**3. RACING PROGRAM**

- A. Total number of races:
- B. Number of races for each day or night:
- C. Total number of stakes races:
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses.
  - 1. Attach a listing of all stakes races for the past two race meetings. The information provided must be for the same timeframe in which the association is applying. Include the date the stakes races were run, and the added money or guaranteed purse for each. Note the races that were designated for California-bred horses.
  - 2. Identify the stakes races listed under item D<sub>2</sub> that have been altered, added, or are new for the current race meeting. Provide details regarding any alterations to the identified stakes races. (e.g., changes in the age, sex, eligibility, purse or substantial calendar changes).
  - 3. Identify the stakes races listed under item D<sub>1</sub> that have been dropped or deleted, and the reasons the stakes were dropped or deleted.
- E. Will provisions be made for owners and trainers to use their own registered colors?  
 Yes  No      If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

**NOTICE TO APPLICANT:** Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race<sub>2</sub>" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to Business and Professions Code section 19568(b).

**4. RACING ASSOCIATION**

- A. Association is a:  Corporation (complete subsection C)  
 LLC (complete subsection D)  
 Other (specify, and complete subsection E)
- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership.
- C. CORPORATION
  - 1. Registered name of the corporation:
  - 2. State where incorporated:
  - 3. Registry or file number for the corporation:
  - 4. Names of all officers and directors, titles, and the number of shares of the corporation held

by each:

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
6. Number of outstanding shares in the corporation:
7. Are the shares listed for public trading?  Yes  No  
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

A. Is parent and/or paired corporation or entity a publically traded or privately held company that guarantees the obligation of the applicant? If no, proceed to section F.  
If yes, answer questions 10-17. Yes  No

10. Registered name of the corporation:
11. State where incorporated:
12. Registry or file number for the corporation:
13. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
14. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
15. Number of outstanding shares in the corporation:
16. Are the shares listed for public trading? Yes  No   
If yes, on what exchange and how is the stock listed:
17. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:

D. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Attach a list of the names of all members (including individuals (true names), corporations, other LLCs and or foreign entities), titles, and the number of shares of the LLC held by each:
5. Are the shares listed for public trading? Yes  No   
If yes, on what exchange and how the stock is listed:
6. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:  
A. Is parent and/or paired entity either a publically traded or privately held company that guarantees the obligation of the applicant? If no, proceed to section F. If yes, answer questions 7-12. Yes  No
7. Registered name of the LLC/Corporation:
8. State where articles of organization are filed:
9. Registry or file number for the LLC:
10. Attach a list of the names (true names) of all members (members may include individuals, corporations other LLCs and foreign entities), titles, and the number of shares of the LLC

held by each:

11. Are the shares listed for public trading? Yes  No
12. If yes, on what exchange and how the stock is listed:

**E. OTHER**

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.

**F. FINANCIAL INFORMATION \***

1. Attach the most recent audited annual financial statement or financial report for the applicant. The financial statement or financial report shall include all relevant financial information specific to the applicant including:
  - Statement of Financial Position: also referred to as a balance sheet. Statement should report on applicant's assets, liabilities, contingent liabilities and ownership equity as of the date of the prepared statement.
  - Statement of Comprehensive Income: also referred to as Profit and Loss ("P&L") Statement. Statement should include report on applicant's income, expenses, and profits.
  - Profit and Loss statement for prior two years race meeting and Profit and Loss statement for projected year race meeting.
  - Statement of Changes in Equity: to include the changes of the applicants' equity through the reporting period.
  - Statement of Cash Flows: to include a report of the applicant's cash flow activity, particularly its operating investing and financing activities during the reporting period.
  - Copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

**\*NOTICE TO APPLICANT:** The financial information provided pursuant to subsection (F) above is exempt from disclosure pursuant to Government Code section 6254(k) and non-disclosable to the public.

**G. MANAGEMENT AND STAFF**

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 13B, who will be listed in the official program:
2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing and email address of such person(s).

**5. TAKE OUT PERCENTAGE**

1. If this is a thoroughbred race meeting, will the percentage deducted for any type of wager be adjusted pursuant to Business and Professions Code section 19601.01? If no, proceed to subsection 6. If yes, identify the wager and the proposed takeout percentage.

Yes  No

Wager(s) to be adjusted: \_\_\_\_\_ Proposed percentage: \_\_\_\_\_%

- A. Attach copy of written notice requesting the proposed takeout adjustment, the proposed percentage and the wager(s) affected. The notice must include the written agreement of the thoroughbred association and the horsemen's organization for the meeting of the thoroughbred association accepting the wager.

**NOTICE TO APPLICANT:** Pursuant to Business and Professions Code section 19601.01, notwithstanding any other provision of law, a thoroughbred association or fair, upon the filing of a written notice with, and approval by, the ~~board~~Board specifying the percentage to be deducted, may deduct from the total amount handled in the pari-mutuel pool for any type of wager an amount of not less than 10 percent nor more than 25 percent. The written notice shall include the written agreement of the thoroughbred association or fair and the horsemen's organization for the meeting of the thoroughbred association or fair accepting the wager. The established percentage to be deducted shall remain in effect until the filing of a subsequent notice with, and approval by, the ~~board~~Board, unless otherwise specified in the notice.

**6. HANDLE HISTORY**

- 1. Complete the table below providing the last five years of handle and attendance for your racing association. If your association has been operating for fewer than five years, provide information for the period of time it has been in operation. If the racing association has changed ownership include the handle information for the previous racing association.

Year	Handle	Attendance

**7. PURSE PROGRAM (~~Excluding~~ supplements, nominations, sponsorships and starter fees):**

A. Purse distribution:

- 1. All races other than stakes:

Current meet estimate:  
Prior meet actual:

Average Daily Purse (7 A1 ÷ number of days):

Current meet estimate:  
Prior meet actual:

- 2. Overnight stakes:

Current meet estimate:  
Prior meet actual:

Average Daily Purse (7 A2 ÷ number of days):

Current meet estimate:  
Prior meet actual:

- 3. Non-overnight stakes:  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7 A3 ÷ number of days):  
Current meet estimate:  
Prior meet actual:

- 4. Total Purses: (7A1+7A2+ 7A3)  
Current meet estimate:  
Prior meet actual:

B. California-bred Stakes Races:

- 1. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7 B1 ÷ number of days):  
Current meet estimate:  
Prior meet actual:

- C. Funds to be generated for all California-bred incentive awards (including breeder awards and owners premiums):  
Current meet estimate:  
Prior meet actual:

- D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization

Current meet estimate:

Prior meet actual:

Total

Total

- E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (7 A+7 C+7 D):  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7 E ÷ number of days):  
Current meet estimate:  
Prior meet actual:

- F. Purse funds to be generated from on-track handle and intrastate off-track handle (excluding carry-overs from prior race meet(s):  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7 F ÷ number of days):  
 Current meet estimate:  
 Prior meet actual:

- G. Purse funds to be generated from interstate handle:  
 Current meet estimate:  
 Prior meet actual:

Average Daily Purse (7 G ÷ number of days):  
 Current meet estimate:  
 Prior meet actual:

- H. Bank and account number for the Paymaster of Purses' purse account:

- I. Name, address, email and telephone number of the pari-mutuel audit firm engaged for the meeting:

**NOTICE TO APPLICANT:** All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by Business and Professions Code section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

## 8. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held:
- B. Minimum number of stalls believed necessary for the meeting:
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers:
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.

Complete subsections F<sub>2</sub> through H<sub>2</sub> if the association will request reimbursement for off-site stabling as provided by Business and Professions Code sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, proceed to section 9.

- F. Total number of usable stalls made available on-site for the **1986** meeting, pursuant to Business and Professions Code section 19535(c):
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall:
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:

**9. EQUINE EMERGENCY SERVICES**

- A. Name and emergency telephone number of the racing veterinarian onsite during training hours, workouts and during racing for the association and auxiliary sites:
  - 1. Attach a schedule listing the dates and times that the racing veterinarian will be available onsite during training hours, workouts and during racing for the association and auxiliary sites.

**10. PARI-MUTUEL WAGERING PROGRAM**

- A. Pursuant to Business and Professions Code section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	<b>TYPE OF WAGERS</b>	<b>APPLICABLE RULES</b>
Example Race:	\$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1		
Race #2		
Race #3		
Race #4		
Race #5		
Race #6		
Race #7		
Race #8		
Race #9		
Race #10		
Race #11		
Race #12		
Race #13		

- B. Identify any wagers noted in 10.A. (the current pari-mutuel wagering program) that were not in the prior year's pari-mutuel program, or that are not being carried forward from the previous year's pari-mutuel wagering program.
- C. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool:
- D. List any options requested with regard to exotic wagering:
- E. Will "advance" or "early bird" wagering be offered? Yes  No   
If yes, when will such wagering begin? Specify days and time for "early bird" wagering:
- F. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
- G. List below the takeout percentage for each type of wager identified in 10A:

**TAKEOUT PERCENTAGE**  
(Example) PNP5-14%

- Race #1
- Race #2
- Race #3
- Race #4
- Race #5
- Race #6
- Race #7
- Race #8
- Race #9
- Race #10
- Race #11
- Race #12
- Race #13

**11. ADVANCE DEPOSIT WAGERING (ADW)**

- A. Identify the ADW provider(s) to be used by the association for this race meeting:
- B. Attach a copy of the agreement/contracts with each ADW provider to be used for this race meeting.
- C. Have the contract/agreements been approved by the respective horsemen's groups?

Yes  No

If yes, attach a copy of the approval.  
If no, explain the status of the approval.

**NOTICE TO APPLICANT:** Pursuant to Business and Professions Code section 19604, ADW providers may accept wagers on races conducted in California from a resident of California if : 1) the ADW provider is licensed by the Board; 2) a written agreement allowing those wagers exists with the racing association or fair conducting the races on which the wagers are made; 3) the agreement shall have been approved in writing by the horsemen’s organization responsible for negotiating purse agreements for the breed on which the wagers are made. ~~ADW provides providers~~ may accept wagers on races conducted outside of California from a resident of California if: 1) the ADW provider is licensed by the Board; 2) there is a hub agreement between the ADW provider and one or both of (i) one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wagers are placed and (ii) the horsemen’s organization responsible for negotiating purse agreements for the breed on which wagering is ~~conducted~~ conducted.

**12. SIMULCAST WAGERING PROGRAM**

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:
- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
- F. California mini-simulcast facilities the association proposes to offer its live audiovisual signal:
- G. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

**NOTICE TO APPLICANT:** Business and Professions Code section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 50 imported thoroughbred races statewide. The limitation of 50 imported thoroughbred races per day statewide does not apply to those races specified in Business and Professions Code section 19596.2(a)(1), (2), (3) and (4).

**THOROUGHBRED SIMULCAST RACES TO BE IMPORTED**

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- H. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

**QUARTER HORSE SIMULCAST RACES TO BE IMPORTED**

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- I. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

**HARNESS SIMULCAST RACES TO BE IMPORTED**

Name of Host Track      Race Dates      Full Card or Selected Feature and/or Stakes Races

- J. For ALL racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

**OTHER BREED SIMULCAST RACES TO BE IMPORTED**

Name of Host Track      Breed of Horse      Race Dates      Number of Races to be Imported

- K. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in Business and Professions Code sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s).

**NOTICE TO APPLICANT:** All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of Business and Professions Code sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 7.)

**13. CHARITY RACING DAYS**

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:
- B. Names and addresses of the trustees or directors of the distributing agent:
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

**NOTICE TO APPLICANT:** Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of Business and Professions Code section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 50% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of Business and Professions Code section 19556(b) and (c).

**14. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT**

- A. Racing officials nominated:
  - Association Veterinarian(s)
  - Clerk of Scales
  - Clerk of the Course
  - Film Specialist
  - Horse Identifier
  - Horseshoe Inspector
  - Paddock Judge
  - Patrol Judges
  - Placing Judges
  - Starter
  - Timer
  
- B. Management officials in the racing department:
  - Director of Racing
  - Racing Secretary
  - Assistant Racing Secretary
  - Paymaster of Purses
  - Others (identify by name and title)
  
- C. Name, address, email and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:
  
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
  
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
  
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

**15. SECURITY CONTROLS**

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
  
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:
  - 1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention stalls.

2. Detention Stalls:
  - A. Attach a plan for use of graded stakes or overnight races.
  - B. Number of security guards in the detention stall area during a 24-hour period.
  - C. Describe number and location of surveillance cameras in detention stall area.
3. TCO2 Testing:
  - A. Number of races to be tested, and number of horses entered in each race to be tested.
  - B. Plan for enhanced surveillance for trainers with high-test results.
  - C. Plan for detention stalls for repeat offenders.
  - D. Number of security personnel assigned to the TCO2 program.
- C. Describe the electronic security system:
  1. Location and number of video surveillance cameras for the detention stall and stable gate.
- D. For night racing associations. Describe emergency lighting system:

## 16. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and during racing:
  1. Attach a certification from the ambulance service(s) listed in 16.A., certifying that the paramedic staff are licensed with the California Emergency Medical Services Authority.
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
  1. Attach a certification from the ambulance service (s) listed in 16.B., certifying that the paramedic staff are licensed with the California Emergency Medical Services Authority.
- C. Describe the on-track first aid facility, including equipment and medical staffing:
- D. Name and emergency telephone number of the licensed physician on duty during the race meeting: **(If quarter horse racing association sees D.(1):**
  1. Name address and emergency telephone number of hospital located within 1.5 miles of the racetrack, which whom an agreement is in place to provide emergency medical services, pursuant to Business and Professions Code section 19481.3(a):
- E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:

- F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey:
- G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to Business and Professions Code section 19481.3(d):
- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.
- I. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):
- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.

**NOTICE TO APPLICANT:** Every licensee conducting a horse racing meeting shall, pursuant to Business and Professions Code section 19481.3, maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the ~~board~~ Board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

**17. CONCESSIONAIRES AND SERVICE CONTRACTORS**

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

Does the association provide its own concessions?    Yes        No   

**18. ON-TRACK ATTENDANCE/FAN DEVELOPMENT**

- A. Attach a copy of the promotional and marketing plans for the race meeting:
- B. Promotional/ Marketing budget for this race meeting:  
      Promotional/Marketing budget for prior race meeting:
- C. Number of hosts and hostesses employed for meeting:
- D. Describe facilities set aside for new fans:

E. Describe any improvements to the physical facility in advance of the meeting that directly benefit:

- 1. Horsemen
- 2. Fans
- 3. Facilities in the restricted areas

**19. SCHEDULE OF CHARGES**

A. Proposed charges, note any changes from the previous year:

- Admission (general)
- Admission (clubhouse)
- Reserved seating (general)
- Reserved seating (clubhouse)
- Parking (general)
- Parking (preferred)
- Parking (valet)
- Programs (on-track)
- (off-track)

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

C. Describe any "package" plans such as combined parking, admission and program:

**20. JOCKEYS/DRIVERS' QUARTERS**

A. Check the applicable amenities available in the jockeys/drivers' quarters:

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Corners (lockers and cubicles) | How many   | <input type="text"/>                              |
| <input type="checkbox"/> Showers                        | <input type="checkbox"/> Steam room, sauna or steam cabinets | <input type="checkbox"/> Lounge area              |
| <input type="checkbox"/> Masseur                        | <input type="checkbox"/> Food/beverage service               | <input type="checkbox"/> Certified platform scale |

B. Describe the quarters to be used for female jockeys/drivers:

**21. BACKSTRETCH EMPLOYEE HOUSING**

A. Inspection of backstretch housing was completed by (name) \_\_\_\_\_ on (date) \_\_\_\_\_.

B. Number of rooms used for housing on the backstretch of the racetrack:

C. Number of restrooms available on the backstretch of the racetrack:

D. Estimated ratio of restroom facilities to the number of backstretch personnel:

**22. TRACK SAFETY**

A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:  feet.

- B. Describe the type of track surface at the facility, including the specific track surface composition:
- C. The percent of cross slope in the straight-aways is:  
The percent of cross slope in the center of the turns is:
- D. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
- E. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
- F. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474.
- G. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing.

### 23. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.
- C. ~~Attach a Race Day Furosemide Agreement to include the name of the furosemide veterinarian an agreement to provide for race-day furosemide administration pursuant to CHRB Rule 1845.~~
- ~~C~~ D. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made).
- ~~D~~ E. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):
- ~~E~~ F. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state):

**NOTICE TO APPLICANT:** Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

**24. CERTIFICATION BY APPLICANT**

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Title

\_\_\_\_\_  
Date

## ADDENDUM

### Background and Ownership Information

**FULL DISCLOSURE:** By authority of Sections 19440 and 19480 of the California Business and Professions Code, Chapter 4, Division 8, Horse Racing Law, and in order to allow an evaluation of the competency, integrity, and character of potential racetrack operator, contractor, subcontractor and concessionaire licensees of the California Horse Racing Board (CHRB), any applicant for such a license shall comply with the provisions set forth below. Where applicable, supply the requested information and submit with your application documents. (If necessary, attach additional pages showing the corresponding numbers for the questions you are answering.) If a question does not apply to you, so state with "N/A".

**NOTE:** All information contained in this Addendum may be disclosed pursuant to the California Public Records Act.

#### I. BACKGROUND INFORMATION

- A. **PERSONAL INFORMATION** - Application documents must include for each individual who is a director, officer, or partner in the application, or an owner of an interest in the applicant of 5% or more:
1. Full name and any previous names or aliases;
  2. date of birth;
  3. physical description;
  4. business address and telephone number; and
  5. disclosure of employment, education and military history for the past 20 years or since the age of 18.
- B. **PERSONAL HISTORY** - Application documents must include a completed Personal History Record, CHRB-25A, for each individual named in Addendum Section I.5=A.
- C. **RELATIONSHIP** - The application documents must state, for each individual providing information under Addendum Section I.5=A, whether the individual is related to a member or an employee of the CHRB. A half-relationship or step-relationship is considered to be a familial relationship.
- D. **CORPORATIONS** - If the applicant is a corporation, the application documents must state:
1. The state in which the applicant is incorporated; and
  2. name and address of the applicant's agent for service of process in California.
- E. **INDICTMENTS OR CONVICTIONS** - If the applicant is a corporation, the application documents must include a statement disclosing whether the corporation is presently or has ever been indicted or convicted of a criminal offense, e.g., felony or misdemeanor.
- F. **PENDING LEGAL PROCEEDINGS** - An applicant for a license to operate a racetrack must describe any pending legal proceedings of \$250,000 or more:
1. To which the applicant, a director, officer, or partner of the applicant, or an individual who owns an interest in the applicant of 5% or more is a party; or
  2. that involves property owned by the applicant, a director, officer, or partner of the applicant, an individual who owns an interest in the applicant of 5% or more, or a related entity identified under Addendum Section I.
  3. Applicant must state the name of the court or agency before which the proceeding is or was pending, the case number, date the proceeding was instituted, and the names of the principal parties to the proceeding.

**II. OWNERSHIP****A. IDENTIFICATION AND LOCATION - The application documents must include:**

1. All names used by the applicant; and
2. name of the agent and the address and telephone number of the office of the applicant for service of process in California.

**B. BUSINESS STRUCTURE - The application documents must describe the applicant's business structure and include an organizational chart.****C. ORGANIZERS - If the applicant is not an individual and was organized less than five years before the date on which the application documents are submitted to the CHRB, the application documents must state:**

1. Name of each individual who was an organizer or promoter of the applicant;
2. nature and amount of assets, services, or other consideration contributed to the applicant by an organizer or promoter of the applicant; and
3. nature and amount of anything of value given by the applicant to an organizer or promoter of the applicant.

**D. ORGANIZATIONAL DOCUMENTS****1. If the applicant is a corporation, the application documents must include:**

- a. Statement of when and in what state the corporation was organized;
- b. certified copy of the articles of incorporation and bylaws of the applicant;
- c. statement and documentation of whether the corporation has been reorganized or reincorporated during the five-year period preceding the date on which the application documents are submitted to the CHRB; and
- d. statement and documentation of whether the corporation has filed restated articles of incorporation.

**2. If the applicant is an unincorporated business association, the application documents must include:**

- a. Certified copy of each organizational document for the applicant, including any partnership agreement; and
- b. description of any oral agreements involving the organization of the partnership.

**E. CAPITOL STOCK****1. If the applicant is authorized to issue capital stock, the application documents must state the classes of stock authorized and the total shares of each class authorized.****2. For each class of stock, applicant must also state:**

- a. Par value, if any;
- b. voting rights;
- c. current rate of dividend; and
- d. number of shares outstanding and the market value of each share.

**3. Application documents must list the name and address of each person who owns, of record or beneficially, at least 5% of stock. For each person listed under this subsection, the application documents must describe the nature of the person's ownership interest and the person's percentage of the total ownership interest.**

4. Application documents must include a certified copy of each voting trust or voting agreement in which at least 5% of the capital stock is held and must state:
  - a. Name and address of each stockholder participating in the trust or agreement;
  - b. class of stock involved; and
  - c. total number of shares held by the trust or agreement.

F. DIRECTORS, OFFICERS, AND PARTNERS

1. If the applicant is not an individual, the application documents must include a list of the individuals who are serving or who are designated to serve, during the first year after the date the application documents are submitted to the CHRB, as a director, officer, or partner of the applicant. The list must state for each individual:
  - a. Name and business address;
  - b. each position or office of the applicant held by the individual;
  - c. principal occupation during the five-year period preceding the date on which the application documents are submitted to the CHRB; and
  - d. nature and extent of any ownership interest in the applicant.
2. Application documents must include a completed Personal History Record, CHRB-25A, for each individual named under Addendum Section II<sub>5</sub>=F<sub>5</sub>=1.

G. CONTROLLING ENTITY

1. Application documents must state whether another entity exercises or is in a position to exercise control in the management or financial affairs of the applicant. The documents must describe the nature of the relationship between the entity and the applicant and the extent of control exercised by the entity.
2. If a nonindividual entity owns an interest of 5% or more in the applicant, the application documents must include the information required by Addendum Section II<sub>5</sub>=G<sub>5</sub>=1<sub>5</sub>, as it relates to the nonindividual entity.
3. Application documents must include information required by Addendum Section II<sub>5</sub>=G<sub>5</sub>=2<sub>5</sub>, for each nonindividual entity identified in the application documents to the extent necessary to determine the identity of each individual who is an indirect holder of an ownership interest in the applicant.

H. OUTSIDE INTERESTS AND LICENSE HISTORY - Application documents must state whether the applicant or a director, officer, or partner of the applicant:

1. Ever held an ownership interest in a licensee of the CHRB; or
2. is currently engaged in the business of racing in another state.

**APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF A CALIFORNIA FAIR**  
CHRB-18 (Rev. 2/15/16)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

**1. APPLICANT FAIR ASSOCIATION**

A. Name, mailing address, telephone, and fax numbers of fair:

B. Fair association is a:  District Fair  County Fair  Citrus Fruit Fair  
 California Exposition and State Fair  Other qualified fair

C. Provide the name, telephone, and email address for the fair contact person:

**NOTICE TO APPLICANT:** Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

**2. DATES OF RACE MEETING**

A. Inclusive dates allocated for race meeting:

B. Actual dates racing will be held:

C. Dates racing will **NOT** be held:

D. Total number of racing days:

E. Days of the week races will be held:

Wed - Sun  Tues - Sat  Other (specify)

**3. RACING PROGRAM**

A. Total number of races:

B. Number of races by breed:

Thoroughbreds  Quarter Horses  Appaloosas  
 Arabians  Paints  Mules

**CHRB CERTIFICATION**

Application received:  
Reviewed:

Hearing date:  
Approved date:  
License number:

C. Number of races daily:

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Thoroughbred							
Other Breeds							
Total							

D. Total number of stakes races by breed:

<input type="text"/>	Thoroughbreds	<input type="text"/>	Quarter Horses	<input type="text"/>	Appaloosas
<input type="text"/>	Arabians	<input type="text"/>	Paints	<input type="text"/>	Mules

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each.

1. Attach a listing of all stakes races for the past two race meetings. The information provided must be for the same timeframe in which the association is applying. Include the date the stakes races were run, and the added money or guaranteed purse for each. Note the races that were designated for California-bred horses.

2. Identify the stakes races listed under item E that have been altered, added, or are new for the current race meeting. Provide details regarding any alterations to the identified stakes races. (e.g., changes in the age, sex, eligibility, purse or substantial calendar changes).

3. Identify the stakes races listed under item E1 that have been dropped or deleted, and the reasons the stakes were dropped or deleted.

F. Will provisions be made for owners and trainers to use their own registered colors?

Yes  No      If no, what racing colors are to be used:

G. List all post times for the daily racing program:

**NOTICE TO APPLICANT:** Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

**4. FAIR ASSOCIATION**

A. Names of the fair directors:

B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program:

C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, other than those listed in 12.2B, who will be listed in the official program:

D. Name and title of the person(s) authorized to receive notices on behalf of the fair association and the mailing and email address of such person(s).

**5. TAKE OUT PERCENTAGE**

1. Will the percentage deducted for any type of wager be adjusted pursuant to Business and Professions Code section 19601.01? If no, proceed to subsection 6. If Yes, identify the wager and the proposed takeout percentage.

Yes  No

Wager(s) to be adjusted: \_\_\_\_\_ Proposed percentage: \_\_\_\_\_%

A. Attach copy of written notice requesting the proposed takeout adjustment, the proposed percentage and the wager(s) affected. The notice must include the written agreement of the fair association and the horsemen's organization for the meeting of the fair association accepting the wager.

**NOTICE TO APPLICANT:** Pursuant to Business and Professions Code section 19601.01, notwithstanding any other provision of law, a thoroughbred association or fair, upon the filing of a written notice with, and approval by, the ~~board~~ Board specifying the percentage to be deducted, may deduct from the total amount handled in the pari-mutuel pool for any type of wager an amount of not less than 10 percent nor more than 25 percent. The written notice shall include the written agreement of the thoroughbred association or fair and the horsemen's organization for the meeting of the thoroughbred association or fair accepting the wager. The established percentage to be deducted shall remain in effect until the filing of a subsequent notice with, and approval by, the ~~board~~ Board, unless otherwise specified in the notice.

**6. HANDLE HISTORY**

1. Complete the table below providing the last five years of handle and attendance for the fair association. If your association has been operating for fewer than five years, provide information for the period of time it has been in operation.

Year	Handle	Attendance

**7. PURSE PROGRAM (~~E~~excluding supplements, nominations, sponsorships, and starter fees):**

A. Purse distribution:

1. All races other than stakes:

Current meet estimate:

Prior meet actual:

Average Daily Purse (7A1 ÷ number of days):

Current meet estimate:

Prior meet actual:

- 2. Overnight stakes:  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7A2 ÷ number of days):  
Current meet estimate:  
Prior meet actual:

- 3. Non-overnight stakes:  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7A3 ÷ number of days):  
Current meet estimate:  
Prior meet actual:

- 4. Total Purses: (7A1+7A2+ 7A3)  
Current meet estimate:  
Prior meet actual

- B. Funds to be generated for all California-bred incentive awards (including breeder awards and owners premiums):  
Current meet estimate:  
Prior meet actual:

- C. Payment to each recognized horsemen's organization contracting with the fair:

Current meet estimate:	Prior meet actual:
CTT	
TOC	
NTRA	
PCQHRA	
CWAR	
ARAC	
AMRA	
CHBPAPEN	
CTHF	
Total	Total

- D. Amount from all sources to be distributed at the meeting in the form of purses or other benefits to horsemen (7A+7B+7C):  
Current meet estimate:  
Prior meet actual:

Average Daily Purse (7D ÷ number of days):  
Current meet estimate:  
Prior meet actual:

- E. Purse funds to be generated from on-track handle and intrastate off-track handle (excluding carry-overs from prior race meet(s):  
 Current meet estimate:  
 Prior meet actual:  
  
 Average Daily Purse ( $7E \div$  number of days):  
 Current meet estimate:  
 Prior meet actual:
- F. Purse funds to be generated from interstate handle:  
 Current meet estimate:  
 Prior meet actual:  
  
 Average Daily Purse ( $7F \div$  number of days):  
 Current meet estimate:  
 Prior meet actual:
- G. Bank and account number for the Paymaster of Purses' purse account:
- H. Name, address, email and telephone number of the pari-mutuel audit firm engaged for the meeting:

**NOTICE TO APPLICANT:** All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, shall not be deemed as income to the fair and shall, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by Business and Professions Code section 19615(c) or (d). In the event of underpayment of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

## 8. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held:
- B. Minimum number of stalls believed necessary for the meeting:
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers:
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:

- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.

Complete subsections F through H if the fair will request reimbursement for off-site stabling as provided by Business and Professions Code sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, proceed to section 9.

- F. Total number of usable stalls made available on-site for the 1986 meeting, pursuant to Business and Professions Code section 19535(c).
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per-day per stall:
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:

**9. EQUINE EMERGENCY SERVICES**

- A. Name and emergency telephone number of the racing veterinarian onsite during training hours, workouts and during racing for the association and auxiliary sites:
  - 1. Attach a schedule listing the dates and times that the racing veterinarian will be available onsite during training hours, workouts and during racing for the association and auxiliary sites.

**10. PARI-MUTUEL WAGERING PROGRAM**

- A. Is the fair applicant a member of the California Authority of Racing Fairs (CARF)? If yes, attach a copy of the CARF recommended wagering format. Yes  No
- B. Pursuant to Business and Professions Code section 19599, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each. If applicant is a member of CARF, also indicate if wager is a part of the CARF recommended wagering format:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES	CARF WAGERING FORMAT	
Example Race	\$1 E; \$1 Double	CHRB #1959; RCI #VE	Yes	No

- Race #1
- Race #2
- Race #3
- Race #4
- Race #5

- Race #6
- Race #7
- Race #8
- Race #9
- Race #10
- Race #11
- Race #12
- Race #13

- C. Identify any wagers noted in 10A (the current pari-mutuel wagering program) that were not in the prior year's pari-mutuel program, or that are not being carried forward from the previous year's pari-mutuel wagering program.
- D. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool:
- E. List any options requested with regard to exotic wagering:
- F. Will "advance" or "early bird" wagering be offered?                      Yes              No  
  
If yes, when will such wagering begin. Specify days and time for "early bird" wagering:
- G. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract:
- H. List below the takeout percentage for each type of wager identified in 10B:

**TAKEOUT PERCENTAGE**  
(Example) PNP5-14%

- Race #1
- Race #2
- Race #3
- Race #4
- Race #5
- Race #6
- Race #7
- Race #8
- Race #9
- Race #10
- Race #11
- Race #12
- Race #13

**11. ADVANCE DEPOIST WAGERING (ADW)**

- A. Identify the ADW provider(s) to be used by the fair for this race meeting:

B. Attach a copy of the agreement/contracts with each ADW provider to be used for this race meeting.

C. Have the contract/agreements been approved by the respective horsemen's groups?

Yes  No

If yes, attach a copy of the approval.  
If no, explain the status of the approval.

**NOTICE TO APPLICANT:** Pursuant to Business and Professions Code section 19604, ADW providers may accept wagers on races conducted in California from a resident of California if: 1) the ADW provider is licensed by the Board; 2) a written agreement allowing those wagers exists with the racing association or fair conducting the races on which the wagers are made; 3) the agreement shall have been approved in writing by the horsemen's organization responsible for negotiating purse agreements for the breed on which the wagers are made. ADW providers may accept wagers on races conducted outside of California from a resident of California if: 1) the ADW provider is licensed by the Board; 2) there is a hub agreement between the ADW provider and one or both of (i) one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wagers are placed and (ii) the horsemen's organization responsible for negotiating purse agreements for the breed on which wagering is ~~conducted~~conducted.

**12. SIMULCAST WAGERING PROGRAM**

- A. Simulcast organization engaged by the fair to conduct simulcast wagering:
- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal:
- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair:
- F. California mini-simulcast facilities the fair proposes to offer its live audiovisual signal:
- G. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

**NOTICE TO APPLICANT:** Business and Professions Code section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 50 imported thoroughbred races statewide. The limitation of 50 imported thoroughbred races per day statewide does not apply to those races specified in Business and Professions Code section 19596.2(a)(1), (2), (3) and (4).

**THOROUGHBRED SIMULCAST RACES TO BE IMPORTED**

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

H. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

### OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
--------------------	----------------	------------	--------------------------------

- I. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in Business and Professions Code sections 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s).

**NOTICE TO APPLICANT:** All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of Business and Professions Code sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vaning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 7.)

### 13. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:
- Association Veterinarian(s)
  - Clerk of Scales
  - Clerk of the Course
  - Film Specialist
  - Horse Identifier
  - Horseshoe Inspector
  - Paddock Judge
  - Patrol Judges
  - Placing Judges
  - Starter
  - Timer
- B. Management officials in the racing department:
- Director of Racing
  - Racing Secretary
  - Assistant Racing Secretary
  - Paymaster of Purses
  - Others (identify by name and title)
- C. Name, address, email and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

- E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

#### 14. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:
  - 1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention stalls.
  - 2. Detention Stalls:
    - A. Attach a plan for use of graded stakes or overnight races.
    - B. Number of security guards in the detention stall area during a 24-hour period.
    - C. Describe number and location of surveillance cameras in detention stall area.
  - 3. TCO2 Testing:
    - A. Number of races to be tested, and number of horses entered in each race to be tested.
    - B. Plan for enhanced surveillance for trainers with high-test results.
    - C. Plan for detention stalls for repeat offenders.
    - D. Number of security personnel assigned to the TCO2 program.
- C. Describe the electronic security system.
  - 1. Location and number of video surveillance cameras for the detention stall and stable gate.

#### 15. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and during racing:

1. Attach a certification from the Ambulance Company(s) listed in 15=A, certifying that the paramedic staff are licensed with the California Emergency Medical Services Authority.
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
  1. Attach a certification from the Ambulance Company(s) listed in 15=B, certifying that the paramedic staff are licensed with the California Emergency Medical Services Authority.
- C. Describe the on-track first aid facility, including equipment and medical staffing:
- D. Name and emergency telephone number of the licensed physician on duty during the race meeting:
- E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:
- F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey:
- G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to Business and Professions Code section 19481.3(d):
- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.
- I. Name of the workers' compensation insurance carrier for the fair and the number of the insurance policy (if self-insured, provide details):
- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers' compensation.

**NOTICE TO APPLICANT:** (a) Every licensee conducting a horse racing meeting shall, pursuant to Business and Professions Code section 19481.3, maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the ~~board~~ Board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

**16. CONCESSIONAIRES AND SERVICE CONTRACTORS**

- A. Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:
- B. Does the fair plan to provide its own concessions? Yes  No

**17. ON-TRACK ATTENDANCE/FAN DEVELOPMENT**

- A. Attach a copy of the promotional and marketing plans for the race meeting:
- B. Promotional/ Marketing budget for this race meeting:  
Promotional/Marketing budget for prior race meeting:
- C. Number of hosts and hostesses employed for meeting:
- D. Describe facilities set aside for new fans:
- E. Describe any improvements to the physical facility in advance of the meeting that directly benefits:
  - 1. Horsemen
  - 2. Fans
  - 3. Facilities in the restricted areas

**18. SCHEDULE OF CHARGES**

- A. Proposed charges, note any changes from previous year:  
Admission (general)  
Admission (clubhouse)  
Reserved seating (general)  
Reserved seating (clubhouse)  
Parking (general)  
Parking (preferred)  
Parking (valet)  
Programs (on-track)  
(off-track)
- B. Describe any "Season Boxes" or other special accommodation fees:
- C. Describe any "package" plans such as combined parking, admission and program:

**19. JOCKEYS' QUARTERS**

- A. Check the applicable amenities available in the jockeys' quarters:
 

<input type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="checkbox"/>
<input type="checkbox"/> Showers	<input type="checkbox"/> Steam room, sauna or steam cabinets	<input type="checkbox"/> Lounge area
<input type="checkbox"/> Masseur	<input type="checkbox"/> Food/beverage service	<input type="checkbox"/> Certified platform scale

- B. Describe the quarters to be used for female jockeys:

## 20. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by (name) \_\_\_\_\_ on (date) \_\_\_\_\_.
- B. Number of rooms used for housing on the backstretch of the racetrack:
- C. Number of restrooms available on the backstretch of the racetrack:
- D. Estimated ratio of restrooms to the number of backstretch personnel:

## 21. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:  feet.
- B. Describe the type of track surface at the facility, including the specific track surface composition:
- C. The percent of cross slope in the straight-aways is:  
The percent of cross slope in the center of the turns is:
- D. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
- E. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
- F. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474.
- G. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing.

## 22. DECLARATIONS

- A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.

C. ~~Attach a Race Day Furosemide Agreement to include the name of the furosemide veterinarian an agreement to provide for race-day furosemide administration pursuant to CHRB Rule 1845.~~

D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):

E. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state):

**NOTICE TO APPLICANT:** Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

**23. CERTIFICATION BY APPLICANT**

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Title

\_\_\_\_\_  
Date

DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST FROM THE  
HUMBOLDT COUNTY FAIR FOR A WAIVER TO CHRB RULE 1472, RAIL  
CONSTRUCTION AND TRACK SPECIFICATIONS SUBSECTIONS (B), (C), (E) TO  
FACILITATE THE INSTALLATION OF A NEW INSIDE RAIL

Regular Board Meeting  
April 6, 2017

Business and Professions Code section 19481 provides that in performing its responsibilities, the Board shall establish safety standards governing the uniformity and content of the track base and racing surface, inner and outer rails, gates and gaps, turf ingress and egress to the track, lighting for night racing, equipment for horse and rider, drainage, communications, veterinary services, medical and ambulance services, and other track facilities in order to improve the safety of horse, rider, and workers at the racetrack. CHRB Rule 1472 Rail Construction and Track Specifications provides that all racing surfaces, including turf courses, shall have an inner rail, and an outer rail or shadow fence designed to meet the same impact standards as a permanent rail. Subsections 1472 (b), (c) and (e) provide specifications for racetrack rails.

#### BACKGROUND

The California Authority of Racing Fairs (CARF) and Humboldt County Fair have requested that the California Horse Racing Board (CHRB) grant a waiver of CHRB Rule 1472 to use the Duralock rail system on its racetrack at Ferndale, beginning with the 2017 meet.

This report summarizes the CHRB's evaluation of:

- (1) The regulation waivers that would be required for the Duralock rail system; and,
- (2) The engineering performance of the design.

The Duralock system has been installed at 10 racetracks and training centers in the United States including Aqueduct, Belmont Park and Saratoga in New York and Churchill Downs and Kentucky Downs in Kentucky as well as at numerous racetracks in the United Kingdom and around the world. The manufacturer is headquartered in Oxfordshire, England.

The following CHRB regulations will require a waiver using Board Rule 1406 Suspension of Rule, to implement the Duralock temporary rail system at Santa Anita.

Rule 1472, Rail Construction and Track Specifications, subsections (b), (c), and (e):

(b) Notwithstanding the above, no permanent or portable turf post or rail shall be constructed of fiberglass, poly vinyl chloride (P.V.C.), or wood and hedges shall not be used as a post or rail.

The Duralock rail system is composed of high impact strength, high UV resistant PVC post and rail components. It is designed to deflect and absorb load, as opposed to rigid metal systems that transfer a high load back to the jockey or horse upon impact.

(c) The height of all outside and inside rails shall be between 38 and 42 inches from the top of the racing surface to the top of the rail.

The Duralock horizontal rail is designed to a height that will result in impact to the shoulder area of the horse. This results in the rail deflecting and reducing the direct impact load to the horse. The nominal vertical height of the Duralock rail is 50 inches.

(e) Portable rails and posts shall be designed not to collapse or break away when a horse that is running parallel to the rail bumps, lugs or falls into the rail or posts during normal training or racing conditions.

The Duralock horizontal rail section is designed to separate from the vertical, gooseneck posts upon significant impact. The horizontal rail deflects and absorbs the horse load and then rebounds thereby directing the horse back to the running lane.

#### ANALYSIS

Staff discussed the design with Duralock's USA based technical sales representative and reviewed all engineering information that was provided. High impact load and bending tests have been conducted on the rail and post components. All rail tests were conducted with no resulting vertical pole or horizontal panel fractures. Accelerated aging tests have been conducted on the PVC material to evaluate the affect of a high UV environment. Environmental life is projected to be in excess of 20 years.

Staff also reviewed accident videos provided by the Duralock representative. A video shows a horse running into the rail system at full speed, perpendicular to the rail line. In the video, a horizontal panel breaks away readily and the horse and the rider pass through the rail plane without a significant impact load or unseating the jockey.

The Duralock rail system design is similar to the rail design that was installed at Santa Anita in 2013 and has performed flawlessly.

The Jockeys' Guild and its West Coast representative Darrell Haire, support the use of the Duralock system at Ferndale.

#### RECOMMENDATION

The Duralock rail system has significant advantages compared to the rigid rail designs that are normally employed in California. Deflecting designs greatly reduce impact loads to the horse and jockey and lower the risk of the horse and jockey bouncing back into the path of other horses.

Staff recommends the Board grant CARF and Humboldt County Fair Board a waiver to CHRB Rule 1472 (b), (c) and (e) for the use of the Duralock rail system.



March 9, 2017

California Horse Racing Board  
Attn: Rick Baedeker  
Executive Director

Dear Rick,

The Humboldt County Fair was informed in 2015 that the inner rail had several deficiencies and would need to be replaced. A waiver was granted for 2016 and currently is considered unsafe and must be removed.

Based on industry input and the results of the selection process, the Humboldt County Fair has tentatively selected Duralock Performance Fencing as the vendor to provide the new rail. The Duralock rail was selected based on the following reasons:

- 1) The Duralock product is already in use at the Santa Anita Inner Turf Course, and has proven to be successful around the world.
- 2) The Duralock Rail provides additional safety to jockeys and horses, as the newest technology in PVC allows the rail to deflect and absorb loads; and
- 3) Race Tracks that use the Duralock product have provided substantial positive documentation on the rail's exceptional safety record.

**Waiver to CHRB Regulation 1472 – Rail Construction and Track Specifications**

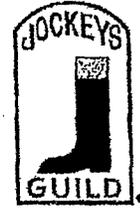
Documentation attached was provided at the December, 2015 CHRB in which Santa Anita requested approval for a waiver to install the rail on their inner turf course. The waiver was approved. The request for a waiver in this case is for replacing the inside rail at the Humboldt County Fair on a dirt course. A request for a waiver for a similar type PVC rail (Maw-Safe) was approved by the CHRB for installation at the California State Fair in 2016 which was dirt oval also.

Based on substantial historical safety factors from the use of this racerail and approval waivers from the CHRB, request the HCF be allowed to install the Duralock Rail prior to the running of their 2017 race meet. A cost proposal for the purchase and the installation of the racerail has been received by HCF and CARF Board of Directors have approved funding for the rail.

Respectfully Yours,

Larry A. Swartzlander  
Interim Executive Director

Cc: Richard Conway, HCF CEO  
Tom McCarthy, CHRB Safety Steward



July 1, 2014

Mrs. Susan Speckert  
 Kentucky Horse Racing Commission  
 4063 Iron Works Pkwy  
 Lexington, KY 40511

Dear Susan:

Please accept this letter on behalf of the Jockeys' Guild and the riders in Kentucky, for our support of the installation of the Duralock Performance Fencing at Kentucky Downs, for the 2014 meet. If proven successful, hopefully other tracks will eventually update their standards and railing systems.

A representative of Duralock was present at the Guild's annual assembly in Hollywood, Florida in January. He explained the technology behind the railing system to our members who were in attendance.

The Duralock rail is used throughout Europe, the Middle East, Singapore, Hong Kong and now in Australia. Additionally, NYRA installed this railing system last year, and based on their experience and success they have had since its installation of the Duralock rail, they are completely supportive of the railing and highly recommend it.

While we recognize that the installation of the rail differs from what is currently being used throughout the U.S. and the specifications in the ARCI Model Rules, we would be supportive of the installation of the new railing. Given the changes in technology and products, we are willing to work with new manufacturers in hopes of reducing injuries and accidents related to the rail. We are also willing to work with the NTRA Safety and Integrity Alliance, ARCI and Regulators to make necessary changes to the Model Rules and regulations in other jurisdictions.

The Guild sincerely appreciates Kentucky Downs for taking this step to improve the railing as well as the KHRC for striving to improve the safety standards for racing in Kentucky.

Sincerely,

*Terence*  
 Terence V. Meyocks  
 Jockeys' Guild, Inc.  
 National Manager

cc: Marc Guilfoil  
 Corey Johnsen  
 Jeff Johnston

**Salmon, Jeffery W.**

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**From:** Joe Carr  
**Sent:** Friday, December 04, 2015 3:08 PM  
**To:** Salmon, Jeffery W.  
**Subject:** Re: Duralock Turf Rail of Santa Anita Continued

Jeff,

Thanks for your email .

Per your request please find a list of the flat race tracks in the USA that have installed DURALOCK (UK) LTD race rail:

- Aqueduct Race Track, NY
- Belmont Park, NY
- Saratoga Race Track, NY
- Fair Hill, Md
- Parx Racing, PA
- Tampa Bay Downs, FL
- Kentucky Downs, KY
- Churchill Downs, KY
- Horsemens Park, NE
- Wyoming Horse Racing LLC WY.

There are various steeplechase race courses in the USA along with equestrian show horse venues that have installed DURALOCK (UK) LTD products.

Yours sincerely,

Joe Carr  
DURALOCK (UK)  
3476 Sutherland Dr  
Lexington, Ky  
40517  
USA

[www.duralock.com](http://www.duralock.com)

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PRODUCT NAME

# Oval rail (6 metre) T-Connectors

6m lengths x 1270mm high running rail

SIZE

Posts 108 x 50, Rails 108 x 50

PAGE NO.

76F

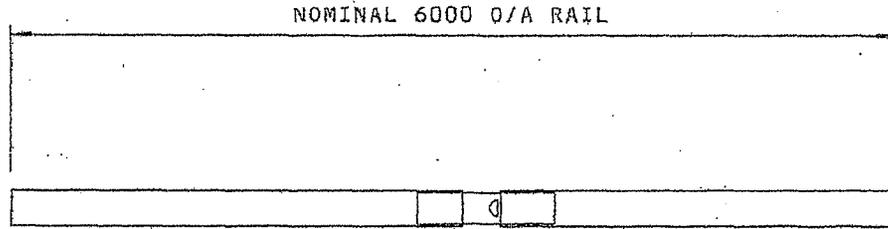
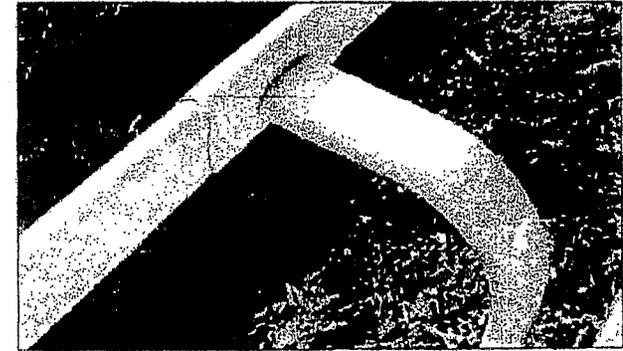
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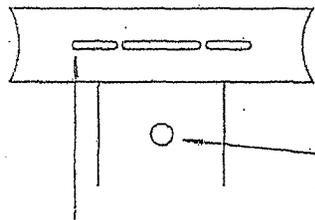
May 08.

# DURALOCK

PERFORMANCE FENCING

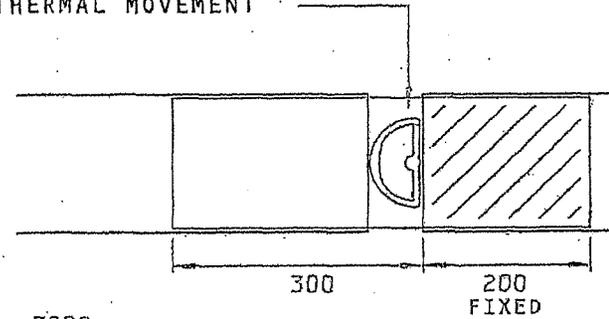


### T-CONNECTOR - UNDERSIDE



END OF INCOMING RAIL AND D-CLIP CONNECTOR RAIL MUST LIE WITHIN CENTRE OF VIEWING SLOT

RELEASE BUTTON



VIEWING SLOT

3000

3000

SWAN NECK CENTRES

SWAN NECK CENTRES

380

HORIZONTAL FAIRING ENDS ARE AVAILABLE FOR USE AT ENDS OF RUNNING RAILS (SEE PAGE 81)

1270

RELEASE BUTTON

Duralock Fencing Systems Ltd reserve the right to alter specifications without notice.

All dimensions are nominal. Please check if critical.

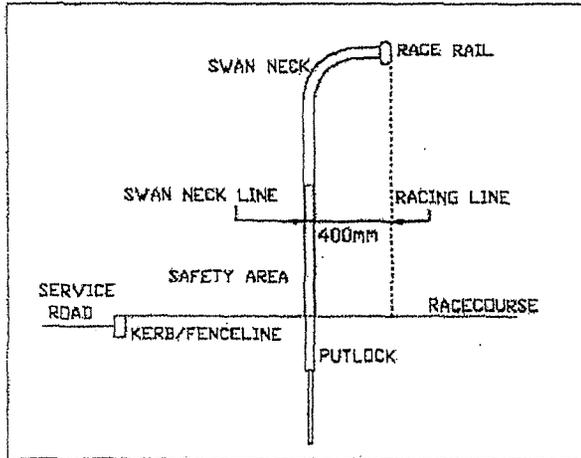
# Installation of T connector race rail

SIZE  
Posts 108 x 50, Rails 108 x 50

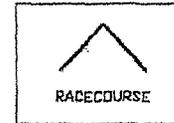
CODE  
INS/OR/TCH.

PAGE NO.  
P129A

Aug 11



NOTE: The open face of the putlock angle irons should face the racecourse line.



### 3. Slip rails:

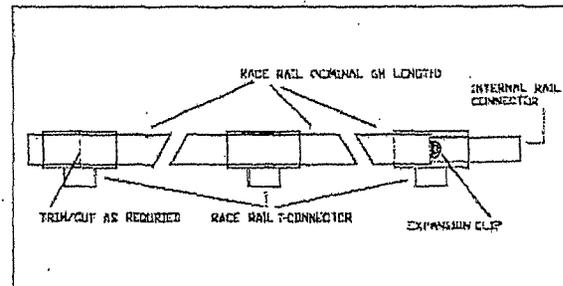
At location of slip rails, unwrap and lay out the material to see how best to install i.e. left hand opening or right hand opening. Then lay on the line of installation.

### 4. Installing putlocks

Once putlock positions have been established you can drive the putlocks into the ground. Leave a min of 500mm to 900mm max out of the ground. This will vary depending on ground type and how stable /permanent a race rail is required.

Putlocks can be driven into the ground using sledge-hammer, wacker style breaker with special attachment or any post driving equipment modified to drive putlocks.

NOTE: For a permanent fence line, dependent on ground condition, we recommend that you bore a hole and concrete the putlocks into the ground.



### 5. The build

In the packet of swan necks you will find some rail profile sections to be used as spacers for levelling if required. Place 1 x spacer onto each putlock and knock into ground then place 1 x swan neck onto the putlock. (If ground is very soft use more spacers).

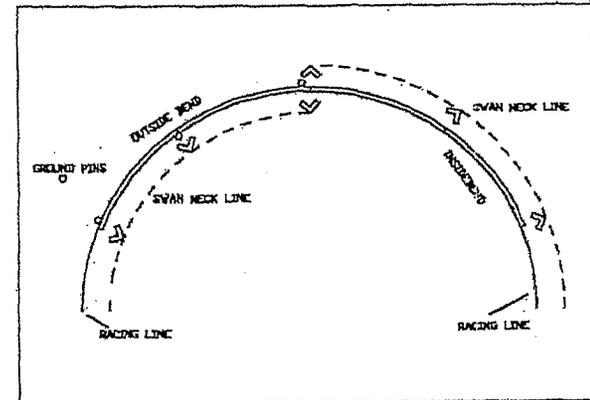
Taking 1x length of rail slide 3 x T-connectors on to the rail and offer up to swan necks and connect. Centralise the rail within the T-connector and trim/cut rail if required. Taking the next rail slide on 2 x connectors and connect onto previous rail. Then locate onto internal rail connector and slide into position.

Finally feel for contact with expansion clip and back off 5mm min up to 30mm max.

Repeat.

### 6. Fence levelling

First look down the race line and adjust any swan neck that is leaning forward or back from the race line by pulling the putlock into position and re-compacting the ground around it. Next look horizontally along the race rail and make adjustments up or down by adding or taking away spacers.



### 7. Bends

Mark out the radius/curve of the bend using ground pins and peg out the rail on the race line and then establish putlock positions along the curve and fix rails as described previously.

### 1. Mark out

Establish the race line and mark, then measure back 400mm from the race line, this is the distance between the face of the race rail and the back of the swan neck line, this will establish the line of installation where putlocks (ground fixings) will be installed later.

### 2. Layout materials

Layout materials along line of installation in the following order:

- 1 x putlock every 3m
- 1 x rail every 6m
- 1 x swan neck pack (15) every 45m (1 every 3m)
- 1 x box of 26 rail connectors every 78m (1 every 3m)

Slip rails where necessary.

Using 1 x length of rail as a ruler, mark the swan neck positions at 3m centres. Use this to establish putlock locations along the line of installation.

**IMPORTANT:** Do not exceed 3m of rail between putlock positions.

# DURALOCK

PERFORMANCE FENCING

Duralock (UK) Ltd, 6A Enstone Business Park,  
Enstone, Chipping Norton,  
Oxfordshire, OX7 4NP, England

Tel: +44 (0) 1608 678238 Fax: +44 (0) 1608 677170  
Website: www.duralock.com e-mail: info@duralock.com

## TECHNICAL SPECIFICATION

Rail profile nominally 108 x 50, with wall thickness c. 3.5mm  
Nominal weight 1.5kg/metre

Post profile nominally 150 x 100, with wall thickness c. 2.5mm  
Nominal weight 2.0kg/metre

Typical extrusion material:

Titanium Dioxide	4%
5 kg Vicat softening point	78 to 82°C
Relative density	range 1.42 to 1.48
Flexural modulus	range 2373 to 2510 Mpa
Impact type	high (12-20 KJ/M <sup>2</sup> )
Coefficient of thermal expansion	6 x 10 <sup>-5</sup> /deg C
Rockwell hardness R scale	115 deg
Tensile strength	45-50 MN/M <sup>2</sup>
Thermal conductivity	0.16 W/Mk
Falling weight test, 0° C (1 metre/1kg weight 25mm radius)	NO BREAKS

# THE JOCKEY CLUB

**BY FAX**

17<sup>th</sup> July 2014

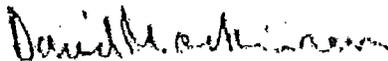
Mr J. Seel  
6A Enstone Business Park  
Enstone  
Chipping Norton  
Oxfordshire  
OX7 4NP

Dear Mr Seel,

## **DURALOCK RUNNING RAIL**

In test carried out by Rapra Technology Limited to assess the performance characteristics of the materials under load and tests carried out by the Jockey Club to assess the strength of the erected structure, the Duralock products comfortably exceeded the Jockey Club's minimum specification criteria.

Yours sincerely,



David Mackinnen  
**Deputy Manager, Racecourse Department**



# INSPECTION REPORT

Q-Lab Weathering Research Service

This inspection report contains only findings and results arrived at after employing the specific test procedures listed in the Test Confirmation. It does not constitute a recommendation for endorsement of, or certification of the product or material tested. Q-Lab Weathering Research Service makes no warranty, expressed or implied, except that the test has been performed, and report prepared, based upon the specimen or specimens furnished by the client. Extrapolation of data from the specimen or specimens relating to the batch or lot from which it was obtained may not correlate and should be interpreted accordingly with extreme caution. We assume no responsibility for variations in quality, composition, appearance, performance, or other feature of similar subject matter produced by other persons or under conditions over which we have no control. This report shall not be reproduced except in full without the written approval of Q-Lab Weathering Research Service.

**CLIENT:** Duralock (UK) Ltd  
**ADDRESS:** 6A Enstone Business Park  
Chipping Norton, Oxfordshire OX7 4NP  
UNITED KINGDOM

**ATTN:** Mr. Jeremy Seel

**YOUR REFERENCE:** Credit Card

**CONTENTS:** Cover Sheet: Page 1  
Report: Page 2

**Inspected By:** Susan C. Manchester

**Approved By:** Thomas M. Allie

**TEST NO:** DLU-1  
**REPORT NO:** 4  
**DATE:** 6 September 2011  
**DATE EXPOSED:** 2 June 2011  
**DURATION:** 2000 hours  
**TYPE:** Accelerated weathering  
**SPECIMENS:** 6 plastic parts

**NOTES:**  
Please refer to the legend located on our website at [www.myweathertest.com](http://www.myweathertest.com) for an explanation of the ratings used in this report.





**Q-Lab Weathering Research Service**  
 1005 S.W. 18 Avenue  
 P. O. Box 349490  
 Homestead, FL 33034

### TEST CERTIFICATE

Laboratory Testing

September 6, 2011

**Test Number:** DLU-0001

**Company:** Duralock (UK) Ltd.

**Address:** 6A Enstone Business Park  
 Enstone, Chipping Norton, Oxfordshire, OX7 4NP  
 UNITED KINGDOM

**Attention:** Mr. Jeremy Seel

**Your Reference:** Credit card

**No. of Specimens:** 6 plastic parts

**Specimen Identification:**  
 2000 Hours:  
 HL108HGR-W/TW, 7  
 HL108HGR-W/TW, 8  
 HL108HGR-W/TW, 9  
 DL150P-TW, 7  
 DL150P-TW, 8  
 DL150P-TW, 9

**Test Method:** ISO 4892-3:2006 Method A, Cycle 1

**Deviations:** None

**Exposure Date:** June 2, 2011

**Completion Date:** September 6, 2011

**Exposure Duration:** 2000 hours

**Exposure Type:** Accelerated weathering  
 UVA 340 lamps, 0.76 W/m<sup>2</sup> (v2.0 calibration), 8 hours UV light @ 60°C,  
 4 hours condensation @ 50°C

**Test Equipment Used:** QUV Weathering Tester Model se

**By:** \_\_\_\_\_  
 Susan Manchester  
 Laboratory Technician

**Approved By:** \_\_\_\_\_  
 Thomas Allie  
 Laboratory Manager



# INSTRUMENTAL COLOR REPORT

Q-Lab Weathering Research Service

This inspection report contains only findings and results arrived at after employing the specific test procedures listed in the Test Confirmation. It does not constitute a recommendation for, endorsement of, or certification of the product or material tested. Q-Lab Weathering Research Service makes no warranty, expressed or implied, except that the test has been performed, and a report prepared, based upon the specimen or specimens furnished by the client. Extrapolation of data from the specimen or specimens relating to the batch or lot from which it was obtained may not correlate and should be interpreted accordingly with extreme caution. We assume no responsibility for variations in quality, composition, appearance, performance, or other feature of similar subject matter produced by other persons or under conditions over which we have no control. This report shall not be reproduced, except in full without the written approval of Q-Lab Weathering Research Service.

**CLIENT:** Duralock (UK) Ltd  
**ADDRESS:** 6A Enstone Business Park  
Chipping Norton, Oxfordshire OX7 4NP  
UNITED KINGDOM

**ATTN:** Mr. Jeremy Seal

**YOUR REFERENCE:** Credit Card

**CONTENTS:** Cover Sheet: Page 1  
Report: Page 2

**Inspected By:** Marie Jones

**Approved By:** Susan C. Manchester

**TEST NO:** DLU-1

**REPORT NO:** 4

**DATE:** 6 September 2011

**DATE EXPOSED:** 2 June 2011

**DURATION:** 2000 hours

**TYPE:** Accelerated weathering

**SPECIMENS:** 6 plastic parts

**NOTES:**  
Please refer to the legend on our website located at [www.myweathertest.com](http://www.myweathertest.com) for an explanation of the values and scales used in this report.

**COLOR DATA INFORMATION:**  
**INSTRUMENT:** X-Rite Color i7 (d/8° sphere)  
**COLOR SCALE:** CIE L\*a\*b\*  
**ILLUMINANT:** D65  
**OBSERVER:** 10°  
**SPEC. IN/OUT:** Included



# INSTRUMENTAL COLOR REPORT

Q-Lab Weathering Research Service

TEST NO: DLU-1

REPORT NO: 4

DATE: 6 September 2011

Specimen ID	Original			Present			Difference			Delta		
	L*	a*	b*	L*	a*	b*	L*	a*	b*	E*	C*	H*
HL108HGR-W/TW,7	94.15	-0.97	1.70	92.87	-0.73	8.03	-1.28	0.24	6.33	6.46	6.11	-1.69
HL108HGR-W/TW,8	94.28	-0.93	1.55	92.56	-0.42	8.58	-1.72	0.51	7.03	7.26	6.78	-1.92
HL108HGR-W/TW,9	94.24	-0.92	1.57	93.10	-0.81	7.82	-1.14	0.11	6.25	6.35	6.04	-1.60
DL150P-TW,7	92.53	-0.72	1.28	90.96	-0.72	9.12	-1.57	0.00	7.84	8.00	7.68	-1.58
DL150P-TW,8	92.43	-0.72	1.29	90.97	-0.76	8.93	-1.46	-0.04	7.64	7.78	7.48	-1.53
DL150P-TW,9	92.78	-0.72	1.47	91.55	-0.86	8.52	-1.23	-0.14	7.05	7.16	6.93	-1.32

STAFF ANALYSIS

DISCUSSION BY THE BOARD REGARDING A REPORT AND PRESENTATION BY THE SQUARE PEG FOUNDATION, WHICH PROVIDES AN ADAPTIVE RIDING PROGRAM THAT BRINGS TOGETHER RESCUED, RE-TRAINED HORSES WITH SPECIAL NEEDS AND AT-RISK CHILDREN AND YOUTH

Regular Board Meeting  
April 6, 2017

ISSUE

The Square Peg Foundation (Foundation) began in 2004 with the goal of developing a therapeutic riding model with the purpose of contributing positively to the cognitive, physical, emotional and social well-being of individuals with special needs. The Foundation provides a therapeutic riding program that brings together donated and rescued horses with special needs and at-risk children and youth. The Foundation's mission is to teach children to turn "I Wish" into "I Can," and to rescue, retrain and re-home horses who need another chance at life.

RECOMMENDATION

A representative of Square Peg is prepared to make a presentation to the Board.

STAFF ANALYSIS  
DISCUSSION AND ACTION BY THE BOARD REGARDING DELEGATING AUTHORITY  
TO THE CHRB'S BOARD OF STEWARDS TO WAIVE THE REQUIREMENT FOR A  
PLACE OR SHOW POOL IN ANY RACE, UPON THE SHOWING OF "GOOD CAUSE" BY  
THE ASSOCIATION, PURSUANT TO CHRB RULE 1954, PARI-MUTUEL POOLS.

Regular Board Meeting  
April 6, 2017

#### ISSUE

Recently, there has been a handful of both live and simulcast horse races which, due to a variety of factors, have resulted in minus show pools for the host racing associations. Historically, such results have often been avoided because the association requests a waiver from the Executive Director to not offer show and/or place wagering in advance of races that are predicted to create minus pools. Nevertheless, it is sometimes impossible to get the Executive Director's approval for such requests when circumstances requiring the elimination of the show and/or place pool (such as multiple horses being scratched) arise on the same day of the race at issue.

Accordingly, staff recommends that the Board consider delegating its authority to waive the requirement for show and/or place wagering to the Boards of Stewards in those instances when the Executive Director is not available to make a determination.

#### BACKGROUND

Business and Professions Code section 19440(a) provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of the Horse Racing Law. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19440(b) states that the Board may delegate to stewards "any of its powers and duties that are necessary to carry out fully and effectuate the purposes of this chapter." Business and Professions Code section 19590 requires that the Board adopt rules governing, permitting, and regulating pari-mutuel wagering on horse races.

California Horse Racing Board (CHRB or Board) Rule 1954, Parimutuel Pools, provides:

The association shall provide, win, place and show pools in any race in which there are five or more separate wagering interests which are obligated to start. The association shall provide win and place pools where there are four separate wagering interests which are obligated to start. The association shall provide a win pool only in any race where less than four separate wagering interests are obligated to start. Upon a showing of good cause, the Board may waive the requirement for a place or show pool in any race.

In the pari-mutuel system of wagering, all bets of a particular type are placed together in a pool. Once the pool closes and the race is finished, the takeout is removed and then payoff odds are

calculated by sharing the remaining pool among all winning wagers. In California, the minimum payout on a winning wager is \$2.10 on a \$2.00 bet (i.e. 5% earnings). In the event the winning payout is less than 5%, the racing association hosting the wager is required to make up the difference to ensure all winners are paid their minimum 5% earnings. This is commonly referred to as a “minus pool.”

The typical scenario in which a minus pool occurs is when there is a small field of horses, or in rare instances a larger field, which includes an overwhelming favorite and the favorite wins. If enough money is wagered on the favorite, the pari-mutuel calculation will call for a very small winning payout (e.g. \$2.02 on a \$2.00 bet). In such a situation, the association then must pay the \$0.08 difference per \$2.00 wager out of their own pocket. This most commonly occurs in show betting.

Pursuant to Rule 1954, however, these scenarios are often avoided because the association—aware of the potential minus pool in a given race—makes a request to the Executive Director to waive the show and/or place pool requirements in advance of the specified race. Nevertheless, there are still situations in which multiple horses may scratch out of a race only hours before it is run. Under those circumstances, it is often impossible to get the Executive Director’s approval to eliminate the show and/or place pools with such short notice.

#### ANALYSIS

Under Business and Professions Code section 19440(b), the Board is allowed to delegate its powers and duties to the Stewards if necessary to fully and effectually carry out the purposes of the Horse Racing Law. Accordingly, the Board may lawfully delegate its authority under CHRB Rule 1954 to waive the show and/or place pool requirements *for good cause* to the Boards of Stewards. It is anticipated that this would eliminate the problem described above, in which a racing association knows that a minus pool is likely, but is unable to obtain a waiver *prior to the opening of wagering*.

#### RECOMMENDATION

This item is presented to the Board for discussion and action.

**CALIFORNIA HORSE RACING BOARD**

**APRIL 6, 2017**  
**REGULAR BOARD MEETING**

**There is no board package material for Item 12**

DISCUSSION AND ACTION REGARDING A REPORT AND UPDATE FROM  
THE PACIFIC RACING ASSOCIATION (GOLDEN GATE FIELDS) AND THE NORTHERN  
CALIFORNIA STABLING AND VANNING COMMITTEE ON THE PROJECTED  
AVAILABILITY OF STALLS AT GOLDEN GATE FIELDS THROUGH THE REMAINDER  
OF ITS RACE MEETING AND THE PROJECTED TIMELINE FOR REOPENING THE  
ALAMEDA COUNTY FAIRGROUNDS AT PLEASANTON FOR OFF-SITE STABLING AND  
TRAINING

Regular Board Meeting  
April 6, 2017

ISSUE

At its November 16, 2016 Regular Meeting, the Board approved Pacific Racing Association's (PRA) application for license to conduct its December 26, 2016 through June 20, 2017 race meeting at Golden Gate Fields (GGF). PRA representatives indicated that PRA was in the process of adding stalls at GGF to bring the total number of stalls to 1,500. They said in recent years, the combined inventory of horses stabled at GGF and the Alameda County Fairgrounds at Pleasanton (Pleasanton) has been less than 1,500. PRA saw no need to continue paying to keep Pleasanton open as an authorized training facility at a cost of \$200,000 per month. Half of the cost of keeping Pleasanton open is paid by GGF, the other half is paid from purses. PRA agreed to reinstate Pleasanton in the stabling and vanning program on May 1 due to the anticipated influx of newly turned 2-year olds, which would grow the inventory and require additional stalls. The Board in approving PRA's license application, determined that 1,500 stalls at GGF would be sufficient for at least the first few months of the race meeting and that Pleasanton initially would not be used as an authorized training facility. However, the Board stated the matter would be reviewed in the spring to determine whether Pleasanton would be needed prior to May 1, 2017.

Analysis

PRA has performed monthly inventories of horses stabled at GGF since the beginning of its race meeting. In February, the inventory determined there were 1,225 horses stabled at GGF, 50 of which 2-year olds. GGF currently has 1,455 stalls. PRA is still in the process of adding additional stall to bring the total to 1,500. However, construction has been hampered by rain.

The 1,225 figure is about 200 below historical combined averages for the two facilities; GGF and Pleasanton. Some horses previously stabled at Pleasanton have been relocated to Los Alamitos and are racing in southern California. The 2015 California foal crop exceeded 1,700. More than 1,000 of these foals have been nominated to the Golden State Series of restricted stakes and purses, which suggests that at least that many 2-year olds will require stabling in Northern and Southern California at some point.

Recommendation

Staff recommends the Board hear from the PRA and Northern California Stabling and Vanning Committee representatives.