CALIFORNIA HORSE RACING BOARD
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PARI-MUTUEL/ADW AND SIMULCAST COMMITTEE MEETING

of the **California Horse Racing** will be held on **Friday, March 19, 2010,** commencing at 9:00 a.m., at the **Arcadia City Hall,** 240 West Huntington Drive, **Arcadia,** California. Non-committee Board members attending the committee meeting may not participate in the public discussion, official committee vote, or committee closed session.

The **revised agenda** for the meeting will consist of the following matters:

Agenda Items:

1. Discussion and action regarding a **proposal for a Losing Pari-Mutuel Ticket Lottery drawing. The concept is to create a pool that would be distributed on a regular basis to holders of losing tickets that are timely presented at the on-track sites of the drawings.**

2. Discussion and action regarding the report from **Scientific Games on the status of the acquisition of Scientific Games by Sportech and how that acquisition might affect service to the California horse-racing industry.**

3. Discussion and action regarding an update from the **racing associations on the proposal to present totalizator odds in decimals rather than or in addition to fractional displays.**

4. Discussion and action regarding **CHRB Rules: 1957, Daily Double; 1976.9, Pick (n) Pool, (races involving four or more legs); and 1977, Pick Three, and how they differ when a horse is scratched before the first leg of the wager.**

5. Discussion and action regarding a **proposal to require host tracks to provide a camera shot of the totalizator board for inclusion in broadcasts, so that viewers can see the actual odds rather than delayed odds.**

6. Discussion and action regarding the **Thoroughbred Racing Associations' time sync protocol and whether the protocol is being implemented at California racetracks.**

7. **Public Comment:** Communications, reports, requests for future actions of the Committee.

Additional information regarding this meeting may be obtained from Mike Marten at the CHRB Office at Los Alamitos Race Course, 4961 E. Katella Avenue, Los Alamitos, CA, 90720; telephone (714) 820-2748; cell (714) 240-1870; fax (714) 821-6232. A copy of this notice can be located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who requires aids or services in order to participate in this public meeting, should contact Mike Marten.

PARI-MUTUEL/ADW AND SIMULCAST COMMITTEE
Commissioner Jerry Moss, Chairman
Commissioner Jesse H. Choper, Member
Kirk E. Breed, Executive Director

Dated: March 10, 2010

STAFF ANALYSIS
DISCUSSION OF PROPOSAL FOR
LOSING PARI-MUTUEL TICKET LOTTERY

Pari-Mutuel, ADW, and Simulcast Committee Meeting
March 19, 2010

BACKGROUND

The CHRB Legislative, Legal, and Regulations Committee met March 4, 2010 at the State Capitol to discuss ways to move the sport of horse racing forward. The Committee asked industry leaders to suggest and develop a short list of bills that would best help the industry. Following that meeting, thoroughbred trainer Darrell Vienna provided the Board with a proposal for a Losing Pari-Mutuel Ticket Lottery. Although Vienna serves on the board of the California Thoroughbred Trainers, he indicated he was submitting his proposal as an individual, though he hoped to gain CTT support for the concept. The Pari-Mutuel, ADW, and Simulcast Committee agreed to include this matter on its agenda for a preliminary discussion in order to obtain input from the public and the industry.

THE PROPOSAL

The concept is to create a pool that would be distributed on a regular basis to holders of losing tickets. Each dollar wagered and lost represents an entry in a drawing for substantial amounts of prize money. The drawing would be held weekly at each track currently conducting live racing. The prize money would be distributed to the holder of the winning entry provided that the valid ticket is timely presented at the on-track site of the drawing. This proposal involves retaining a portion (e.g. 1%) of the amount ordinarily returned to winning wagers for eventual distribution to holders of losing pari-mutuel tickets.

Every pari-mutuel ticket would be imprinted with a unique number. The number imprinted on every ticket would be represented and weighted. The number assigned to each losing ticket (or losing portion of any ticket would be proportionately represented in an electronic pool. For example, a $1.00 losing ticket's number would be entered one time in the electronic pool, a $10.00 losing ticket's number would be entered 10 times in the electronic pool, a $100.00 losing ticket's number would be entered 100 times in the electronic pool.

Once a week, number(s) are drawn from the pool of numbers held in the electronic pool of losing ticket numbers. The holder of the selected losing ticket number would be required to be present at the track to collect. Losing ticket numbers could be drawn at the 5th race and the winning "losing ticket" would have to be presented for validation before

the running of the 7th race. Distribution of the weekly losing ticket pool, in addition to any carry-over from previous weeks unclaimed winnings, could be to one winner (100%)or to a number of winners (1 ticket for 50%, a second ticket for 30%, and a third ticket for 20%). Any unclaimed distribution or portion thereof would be carried forward to the next week's drawing. All losing ticket numbers would be valid until the entire weekly losing ticket pool and carry-over are validated for distribution.

This proposal is designed to increase on-track attendance and stimulate participation in California horse racing. Of all sources of wagering revenue, on-track wagering delivers to purses a higher percentage per dollar than any other source. This program is intended to introduce new fans to horseracing and to redirect current fans to the true live racing experience. Casual or first time bettors would be encouraged to visit the track on the day of the drawing. While attending the track on drawing day, these new bettors might continue to wager on races.

Vienna is prepared to provide additional details of his proposal at the meeting. And a representative of Scientific Games will briefly describe the totalizator system requirements for implementing this proposal.

RECOMMENDATION

This item is presented for Committee discussion and action.

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE REPORT FROM SCIENTIFIC GAMES ON THE STATUS OF THE ACQUISITION OF SCIENTIFIC GAMES BY SPORTECH AND HOW THAT ACQUISITION MIGHT AFFECT SERVICE TO THE CALIFORNIA HORSE RACING INDUSTRY

Pari-Mutuel, ADW and Simulcast Committee Meeting
March 19, 2010

BACKGROUND

A representative from Scientific Games will report on the planned acquisition by Sportech and related issues.

Press Release

Scientific Games Announces Strategic Transaction for its Racing Division

Company Focuses Portfolio on Core Lottery & Gaming Businesses

NEW YORK, Jan 27, 2010 /PRNewswire via COMTEX/ -- Scientific Games Corporation (Nasdaq: SGMS) today announced that it has entered into a definitive agreement to sell its Racing and Venue Management businesses ("Scientific Games Racing") to U.K.-based Sportech Plc (LSE: SPO), in a transaction valued at approximately $75 million. The transaction, which follows a review of strategic alternatives with respect to Scientific Games Racing, marks a significant step in the Company's strategy to focus its business portfolio and drive sustainable, profitable growth. Importantly, the transaction will enable Scientific Games to participate in future growth of the combined businesses of Sportech and Scientific Games Racing through an equity interest in Sportech that Scientific Games will receive as part of the transaction consideration. Upon the closing of the transaction, the companies intend to enter into a number of ancillary agreements to deliver additional strategic value as part of an ongoing relationship.

Commenting on the announcement, Scientific Games' President and Chief Executive Officer, Michael Chambrello, stated, "The transaction announced today is an important strategic step in the evolution of Scientific Games as we strengthen our focus on our core global lottery and gaming businesses. At the same time, the transaction with Sportech will enable us to participate in future opportunities for the combined business, which we expect to emerge as a global, leading provider in the pari-mutuel wagering industry. We believe there are significant opportunities for value creation by combining these businesses, and we are looking forward to realizing that potential value creation as a shareholder in Sportech. We are thankful to the employees of our racing division for their unwavering commitment to the success of this business and look forward to partnering on mutually beneficial opportunities going forward."

Under the terms of the agreement, which has been approved by the Boards of Directors of both companies, Scientific Games will receive approximately $33 million in cash at closing, $10 million in deferred cash consideration payable in September 2013 and $32 million in Sportech stock, representing approximately 20% of the outstanding shares. Should Scientific Games Racing, under Sportech's ownership, achieve certain performance targets by the third anniversary of the consummation of the transaction, Scientific Games will be entitled to an additional cash payment of up to $8 million. Scientific Games' Board of Directors received a fairness opinion in connection with the transaction.

For the year ended December 31, 2009, Scientific Games Racing generated revenues of approximately $110 million. Scientific Games indicated that the transaction, which is expected to enhance the Company's growth profile and margin structure, will result in a non-cash, pre-tax charge of approximately $55 to $65 million in the fourth quarter of 2009.

The transaction is conditioned upon, among other things, Sportech shareholder approval, closing of Sportech's financing arrangements, certain regulatory and bank approvals and other customary closing conditions. Subject to the satisfaction of these conditions, the transaction is expected to close in the first half of 2010. In connection with the agreement, certain shareholders and directors of Sportech have entered into voting agreements under which they have agreed to vote their shares in favor of the transaction. Upon the closing of the transaction, the Board of Sportech will appoint Brooks Pierce, President of Scientific Games Racing, to the Board as an Executive Director. In addition, the Board of Sportech will appoint Lorne Weil, Chairman of Scientific Games, to the Board as a Non-Executive Director (in his individual capacity and not as a representative of Scientific Games).

Ian Penrose, CEO of Sportech Plc, stated, "This transaction will provide Sportech with a multi-sport, multi-channel gaming business. The combined entity, which will have global reach and will be one of the leading pari-mutuel product and systems providers, will optimize its existing and new technologies to capitalize on worldwide growth opportunities."

The Company understands that the investor information section of Sportech's website, www.sportechplc.com, includes certain additional information prepared by Sportech related to the transaction.

About Scientific Games

Scientific Games Corporation is a leading integrated supplier of instant tickets, systems and services to lotteries worldwide, a leading supplier of server based gaming machines and systems, Amusement and Skill with Prize betting terminals, interactive sports betting terminals and systems, and wagering systems and services to pari-mutuel operators. It is also a licensed pari-mutuel gaming operator in Connecticut, Maine and the Netherlands. The Company's customers are in the United States and more than 50 other countries. For more information about the Company, please visit our web site at www.scientificgames.com.

About Scientific Games Racing

The business of Scientific Games Racing consists primarily of pari-mutuel wagering technology and venue management operations. Scientific Games Racing is a leading provider of pari-mutuel wagering systems, equipment and services for betting on horse races, greyhound races and jai-alai. Scientific Games Racing's venue management business operates off-track pari-mutuel wagering establishments in Connecticut, Maine and the Netherlands and provides venue management services to various tribal casinos in the United States as well as to facilities in the British Virgin Islands.

Scientific Games Contact:
Investor Relations
212-754-2233

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as "may," "will," "estimate," "intend," "continue," "believe," "expect," "anticipate," "could," "potential," "opportunity," or similar terminology. These statements are based upon management's current expectations, assumptions and estimates and are not guarantees of future results or performance. Actual results may differ materially from those projected in these statements due to a variety of risks and uncertainties and other factors, including, among other things: competition; material adverse changes in economic and industry conditions; recent changes to certain contracts; technological change; retention and renewal of existing contracts and entry into new contracts; availability and adequacy of cash flow to satisfy obligations and indebtedness or future needs; protection of intellectual property; security and integrity of software and systems; laws and government regulation, including those relating to gaming licenses, permits and operations; inability to identify, complete and integrate future acquisitions; seasonality; ability to enhance and develop successful gaming concepts; influence of certain stockholders; dependence on suppliers and manufacturers; liability for product defects; factors associated with foreign operations; dependence on key personnel; failure to perform on contracts; resolution of pending or future litigation; labor matters; and stock price volatility. Additional information regarding risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is set forth from time to time in our filings with the SEC, including under the heading "Risk Factors" in our most recent Quarterly Report on Form 10-Q. Forward-looking statements speak only as of the date they are made, and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

SOURCE Scientific Games Corporation

STAFF ANALYSIS
DISCUSSION OF PROVIDING ODDS DISPLAYS IN DECIMALS INSTEAD OF OR IN ADDITION TO FRACTIONS

Pari-Mutuel, ADW, and Simulcast Committee Meeting
March 19, 2010

BACKGROUND

Racetracks historically have used fractions when posting wagering odds on totalizator boards and other displays (e.g. 6/5, 7/5, 3/2, 8/5, 9/5, 5/2, 7/2). The posting of odds in fractions sometimes adds to the perception of significant late odds changes. It has been suggested that California should switch to decimal displays, which provide greater precision. One example would be the odds on a horse dropping from 7/2 to 3, which looks large due to fractional odds being approximate, but could in fact be caused by a drop of just 5 cents on the dollar. Decimal odds show the actual price in $1 increments.

Decimal odds have been discussed at past meetings of the Pari-Mutuel Committee and the full Board. At one such meeting, J. Curtis Linnell, wagering analyst for the Thoroughbred Racing Protective Bureau, strongly recommended that California shift to decimal odds. More recently, he urged the entire North American horse racing industry to adopt decimal displays when he addressed the 2009 International Simulcasting Conference in Saratoga Springs.

Some California racetracks could display decimal odds more easily than others. The totalizator board at Los Alamitos, for one, is not capable of handling decimals without significant changes. One suggested solution would be to continue displaying odds in fractions on totalizator boards, while presenting odds in decimals on televisions and other displays.

RECOMMENDATION

This item is presented for Committee discussion and action.

DISCUSSION AND ACTION REGARDING CHRB RULES: 1957, DAILY DOUBLE: 1976.9 PICK (N) POOL, (RACES INVOLVING FOUR OR MORE LEGS); AND 1977, PICK THREE, AND HOW THEY DIFFER WHEN A HORSE IS SCRATCHED BEFORE THE FIRST LEG OF THE WAGER

Pari-Mutuel, ADW, and Simulcast Committee Meeting
March 19, 2010

BACKGROUND

CHRB Rules: 1957, Daily Double; 1976.9, Pick (n) Pool, and 1977, Pick Three, differ in their requirements when a horse is scratched before the first leg of the wager. Rule 1957 (h) states that before the first leg of the Daily Double is run, "any money wagered on a horse in either race that is scratched, excused by the stewards, or prevented from racing shall be deducted from the pool and refunded." Similarly, Rule 1977 (h) states that if a wagering interest is scratched "from any leg of the Pick Three prior to the running of the first leg, all wagers containing such scratched wagering interests shall be refunded." However, Rule 1976.9, which covers multi-race wagers involving at least four legs but no more than 10 legs, contains no such provision for refunds. Section (d) states that when a wagering interest in any Pick (n) race is scratched, "the association may designate the favorite…or allow patrons the option of selecting an alternate wagering interest (to replace the scratched horse)."

The CHRB occasionally receives complaints from bettors who would prefer to receive a refund when their horse is scratched prior to the running of the first leg of the Pick Four. They sometimes cite the Pick Three as a preferred way of dealing with such scratches. However, to the best of our knowledge, the CHRB never has received suggestions for such refunds involving other Pick (n) pools (e.g. Pick Five, Pick Six, and Pick Nine).

The opportunity for bettors to designate alternate selections for scratched horses in Pick (n) wagers somewhat mitigates the need for refunds. Due to technical limitations, bettors do not have the opportunity to name alternate runners in Pick Three and Daily Double wagers.

RECOMMENDATION

This item is presented for Committee discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4 CALIFORNIA CODE OF REGULATIONS
ARTICLE 18 PARI-MUTUEL WAGERING

Rule 1957. Daily Double

Pari-Mutuel, ADW and Simulcast Committee Meeting
March 19, 2010

1957. Daily Double

(a) The Daily Double is a separate pari-mutuel pool established on two (2) races. The pool consists of amounts wagered on the selection of the winning horse of both races. It is not a parlay and has no connection with or relation to other pools conducted by the association or to rules governing the distribution of other pools.

(b) A valid Daily Double ticket shall be evidence of a binding contract between the holder of the ticket and the association and shall constitute an acceptance of Daily Double provisions and rules contained in this Article.

(c) The association shall distribute the net pool to holders of valid tickets that correctly selected the winner of both races. If no ticket selected the winner of both races, the net pool shall be distributed as a place pool among tickets that included the winner of the first race and tickets that included the winner of the second race.

(d) If no ticket included the winner of the first race the net pool shall be distributed equally among tickets that included the winner of the second race; and, if no ticket included the winner of the second race the net pool shall be distributed equally among tickets that included the winner of the first race.

(e) If no ticket included the winner of either race the net pool shall be distributed equally among tickets selecting the second place finishers of both races.

CALIFORNIA HORSE RACING BOARD
TITLE 4 CALIFORNIA CODE OF REGULATIONS
ARTICLE 18 PARI-MUTUEL WAGERING

Rule 1957. Daily Double

Pari-Mutuel, Adw and Simulcast Committee Meeting
March 19, 2010

1957. Daily Double

(a) The Daily Double is a separate pari-mutuel pool established on two (2) races. The pool consists of amounts wagered on the selection of the winning horse of both races. It is not a parlay and has no connection with or relation to other pools conducted by the association or to rules governing the distribution of other pools.

(b) A valid Daily Double ticket shall be evidence of a binding contract between the holder of the ticket and the association and shall constitute an acceptance of Daily Double provisions and rules contained in this Article.

(c) The association shall distribute the net pool to holders of valid tickets that correctly selected the winner of both races. If no ticket selected the winner of both races, the net pool shall be distributed as a place pool among tickets that included the winner of the first race and tickets that included the winner of the second race.

(d) If no ticket included the winner of the first race the net pool shall be distributed equally among tickets that included the winner of the second race; and, if no ticket included the winner of the second race the net pool shall be distributed equally among tickets that included the winner of the first race.

(e) If no ticket included the winner of either race the net pool shall be distributed equally among tickets selecting the second place finishers of both races.

CALIFORNIA HORSE RACING BOARD
TITLE 4 CALIFORNIA CODE OF REGULATIONS
ARTICLE 18 PARI-MUTUEL WAGERING
Rule 1976.9 Pick (n) Pool

Pari-Mutuel, ADW and Simulcast Committee Meeting
March 19, 2010

1976.9 Pick (n) Pool

(a) The Pick (n) requires selection of the first-place finisher in each of a number of races designated by the association. The association shall designate the percentage of the net pool considered the major share, and the percentage of the net pool considered the minor share, if any. The number of races comprising a Pick (n) must be at least four but no more than ten. Subsequent changes to the Pick (n) shall be requested in writing by the association. The Board or its designated representative shall respond in writing to requests within five working days of their receipt at Board headquarters.

(b) The major share of the net Pick (n) pool, along with the Pick (n) carryover, shall be distributed to ticket holders that selected the first-place finisher in each of the Pick (n) races, based upon the official order of finish, and the minor share of the net Pick (n) pool shall be distributed as a win pool to ticket holders whose selection finished first in the second greatest number of Pick (n) races; if there are no wagers selecting the first place finisher in each of the Pick (n) races, then:

(1) The minor share of the net pool shall be distributed as a win pool to ticket holders whose selection finished first in the greatest number of Pick (n) races, and

(2) The major share of the net Pick (n) pool shall be retained by the association and added to the corresponding Pick (n) pool of the next performance. The additional Pick (n) pool resulting from such a carryover shall be termed the "Pick (n) carryover."

(c) In a dead heat for first in any of the Pick (n) races involving:

(1) Coupled horses or horses coupled to constitute the field, the Pick (n) pool shall be distributed as if a dead heat had not occurred, or

(2) Horses representing two or more wagering interests, all horses in the dead heat for win shall be considered winning horses to calculate the pool.

(d) If a wagering interest in any of the Pick (n) races is scratched, the association may designate the favorite, determined by total amounts wagered in the win pool at the close of wagering on that race, or allow patrons the option of selecting an alternate wagering interest. The favorite or alternate wagering interest shall be substituted for the scratched wagering interest for all purposes. If the association elects to designate the favorite and the win pool total is identical for two or more horses, the horse with the lowest program number is used. The totalizator shall produce written reports showing each of the wagering combinations with substituted wagering interests that became winners as a result of the substitution, in addition to the normal winning combination, at the end of each race where substitutions occur.

(e) The Pick (n) pool shall be canceled and all Pick (n) wagers for the individual performance shall be refunded if:

(1) Three or more races included as part of a Pick 4, Pick 5 or Pick 6 are canceled or declared no contest; or

(2) Four or more races included as part of a Pick 7, Pick 8 or Pick 9 are canceled or declared no contest; or

(3) Five or more races included as part of a Pick 10 are canceled or declared no contest.

(f) If at least one race included as part of a Pick (n) is canceled or declared no contest, but fewer than the number specified in subsection (e), the net pool shall be distributed as a win pool to ticket holders whose selection finished first in the greatest number of Pick (n) races for that performance. Such distribution shall include the portion ordinarily retained for the Pick (n) carryover but not the carryover from previous performances.

(g) The Pick (n) carryover may be capped at an amount designated by the association, with Board approval. If, at the close of any performance, the carryover equals or exceeds the designated cap, it will be frozen until it is won or distributed under other provisions of this rule. After the carryover is frozen, 100% of the net pool shall be distributed to ticket holders whose selection finished first in the greatest number of Pick (n) races for that performance.

(h) Permission to distribute the Pick (n) carryover on a specific date and performance shall be obtained from the Board. The mandatory payout request must contain the intended date and performance for the distribution.

(i) If the Pick (n) carryover is designated for distribution on a specified date and performance in which no wager selects the first-place finisher in each of the Pick (n) races, the entire pool including the carryover shall be distributed as a win pool to ticket holders whose selection finished first in the greatest number of Pick (n) races. The Pick (n) carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

(1) With written approval from the Board as provided in subsection (h); or

(2) With written approval from the Board when there is a change in the carryover cap, a change from one type of Pick (n) wagering to another, or when the Pick (n) is discontinued; or

(3) On the closing performance of the meet or split meet.

(j) If the Pick (n) carryover must be carried over to the corresponding Pick (n) pool of a subsequent meet, it shall be deposited in an interest-bearing account approved by the Board. The Pick (n) carryover plus accrued interest shall then be added to the net Pick (n) pool of the following meet on a date and performance designated by the association, with Board approval.

(k) With Board approval, the association may contribute to the Pick (n) carryover a sum of money up to the amount of any designated cap.

(l) No ticket for the Pick (n) pool shall be sold, exchanged or canceled after the close of wagering in the first race comprising the Pick (n), except for refunds required by this rule.

(m) Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of live tickets remaining is prohibited. The totalizator will be programmed to suppress all information related to Pick (n) wagering activity until the conclusion of the final race except for the following:

(1) Total amount of the net pool at the close of Pick (n) wagering.

(2) Information regarding possible Pick (n) payouts for each of the runners when the last race of the Pick (n) pool is the only race remaining to be run.

(n) If the racing surface changes from turf to dirt or dirt to turf in any race of a Pick (n) pool, and such change was not announced to the public before the close of wagering on the Pick (n) pool, all wagers on such race shall be considered winning wagers for the purposes of the Pick (n) pool.

Authority: Sections 19440 and 19590, Business and Professions Code.

Reference: Sections 19440, 19590 and 19593, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4 CALIFORNIA CODE OF REGULATIONS
ARTICLE 18 PARI-MUTUEL WAGERING
RULE 1977 PICK THREE

Pari-Mutuel, ADW and Simulcast Committee Meeting
March 19, 2010

1977 Pick Three

(a) The Pick Three is a separate pari-mutuel pool established on three consecutive races. The pool consists of amounts wagered on the winning horse in each of the races. It is not a parlay and has no connection with or relation to other pools conducted by the association, or to rules governing the distribution of other pools.

(b) A valid Pick Three ticket shall be evidence of a binding contract between the holder of the ticket and the association and shall constitute an acceptance of Pick Three provisions and rules contained in this article.

(c) A wager on a coupled entry or field is considered a wager on the remaining part of the coupled entry or field if any part of such entry starts for pari-mutuel purposes in accordance with Rule 1974.

(d) The association shall distribute the net pool to holders of valid tickets that correctly selected the winners in all three races.

(e) In a dead heat for win between two or more horses in any of the Pick Three races, all such horses shall be considered winning horses in that race for calculating the pool. The payout shall reflect the proportionate amount of money wagered on each winning combination.

(f) If no ticket selected the winner in all three races, the net pool shall be paid for tickets that selected the winner in any two races; and if no ticket selected two winners the

net pool shall be paid for tickets that selected the winner of any one race. The association shall refund the entire pool if no ticket selected the winner of any one race.

(g) If one of the races is cancelled, the net pool shall be distributed as provided in subsection (f). If more than one race is cancelled the association shall refund the entire pool.

(h) If a wagering interest is scratched (which hereinafter includes being declared a non-starter) from any leg of the Pick Three prior to the running of the first leg, all wagers containing such scratched wagering interests shall be refunded.

(i) If a wagering interest is scratched from the second leg after the start of the first leg, a consolation payout shall be computed for those wagers combining the winners of the first and third legs with such scratched horse(s) as follows: The amount represented by wagers on combinations involving horse(s) scratched from the second leg shall be deducted from the gross pool. The resulting pool, net of takeout, shall be distributed as a win pool among tickets combining the winners of the first and third legs with horse(s) scratched from the second leg.

(j) If a wagering interest is scratched from the third leg after the start of the second leg, a consolation payout shall be computed for those wagers combining the winners of the first and second legs with such scratched horse(s) as follows: The amount represented by wagers on combinations involving horse(s) scratched from the third leg shall be deducted from the gross pool. The resulting pool, net of takeout, shall be distributed as a win pool among tickets combining the winners of the first and second legs with horse(s) scratched from the third leg.

(k) If wagering interests are scratched from both the second and third legs after the start of the first leg, a consolation payout shall be computed for those wagers combining the winner of the first leg with horse(s) scratched from both the second and third legs as follows: The amount wagered on the winner of the first leg combined with all other horse(s) scratched from the second and third legs shall be deducted from the gross pool. The resulting pool, net of takeout, shall be distributed as a win pool among tickets combining the winner of the first leg with horse(s) scratched from both the second and third legs.

(l) After wagering closes on the first race of the Pick Three no ticket shall be sold, exchanged or cancelled. No person shall disclose the number of tickets sold in the Pick Three races or the number or amount of tickets that selected winners of Pick Three races until the stewards declare the last race official. After the second of the three races, the association may display potential distributions dependent upon the outcome of the third race.

Authority: Sections 19440 and 19590, Business and Professions Code.

Reference: Section 19590, Business and Professions Code.

STAFF ANALYSIS
DISCUSSION OF IMPROVING ODDS PRESENTATIONS TO VIEWERS BY PROVIDING A CAMERA SHOT OF THE TOTALIZATOR BOARD

Pari-Mutuel, ADW, and Simulcast Committee Meeting
March 19, 2010

BACKGROUND

The full Board and the Pari-Mutuel Operations Committee have reviewed and held public discussions of late odds changes numerous times over the last decade. The CHRB has not received as many complaints from bettors about late odds changes in recent months as were received a few years ago, partly because the industry has made technical changes that have sped up the display of updated odds at host tracks. However, one lingering problem is the delayed display of odds at simulcast outlets and on the two major horse-racing networks, TVG and HRTV. No matter how quickly the updated odds are posted on the infield totalizator boards, the odds on broadcasts lag behind. Patrons on track see the updated odds sooner than simulcast and home viewers. One suggested remedy is to require host tracks to provide a camera shot of the totalizator board for inclusion in broadcasts, so that viewers can see the actual odds rather than delayed odds.

RECOMMENDATION

This item is presented for Committee discussion and action.

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE THOROUGHBRED RACING ASSOCIATIONS' TIME SYNC PROTOCOL AND WHETHER THE PROTOCOL IS BEING IMPLEMENTED AT CALIFORNIA RACETRACKS

Pari-Mutuel, ADW, and Simulcast Committee Meeting
March 19, 2010

BACKGROUND

Verification of off time and close of betting for all races has become increasingly important because the unrelated issue of late odds shifts has led to some public misperception of past posting. The Thoroughbred Racing Associations (TRA) adopted a protocol establishing industry-wide standards pertaining to the display of accurate off time for the start of the race. This involves the synchronization to an atomic clock of all video and tote times, displayed at the start of the race in the HR:MIN:SEC format, so that the video can be used to confirm the off time of the race in order to verify wagering was closed at the start of the race. Under the protocol, all totes in the pari-mutuel network must synchronize to an atomic time source electronically at the start of every day's session. Video departments must do the same, and also re-sync throughout the day. This time stamp must be displayed at the start of the race on the live video production feed to the public.

The TRA board of directors adopted this protocol last September. Representatives of California racetracks and Scientific Games are asked to report on whether this protocol has been implemented in California.

RECOMMENDATION

This item is presented for Committee discussion and action.