

EIGHTEENTH BIENNIAL REPORT

California

HORSE RACING BOARD

TO THE GOVERNOR
AND TO THE LEGISLATURE
OF THE STATE OF CALIFORNIA



For the Period
JULY 1, 1966 to
JUNE 30, 1968

.

EIGHTEENTH BIENNIAL REPORT

TO THE GOVERNOR AND THE LEGISLATURE
OF THE STATE OF CALIFORNIA

CALIFORNIA HORSE RACING BOARD

FOR THE PERIOD
JULY 1, 1966, TO JUNE 30, 1968

CALIFORNIA HORSE RACING BOARD

Board Members

Edgar A. Hills, Chairman

J. R. Fluor, Member

Louis H. Kornik, Member—Resigned April 15, 1968

John V. Newman—Appointed

Charles L. Harman, Secretary

LOS ANGELES OFFICE

Suite 417, Civic Center Law Building
205 South Broadway 90012

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EIGHTEENTH BIENNIAL REPORT
TO THE GOVERNOR AND THE LEGISLATURE
OF THE STATE OF CALIFORNIA

(For the Period July 1, 1966, to June 30, 1968)

To RONALD REAGAN, *Governor*
and to the Members of the Legislature :

The California Horse Racing Board herewith presents its biennial report covering the period July 1, 1966, through June 30, 1968, pursuant to the provisions of Section 19441 of the Business and Professions Code of the State of California. This report will be the 18th biennial report which has been made by the racing board since horseracing has been legalized in California.

COMPOSITION OF THE CALIFORNIA
HORSE RACING BOARD

The California Horse Racing Board consists of three members, appointed by the Governor. Each member holds his office for a four-year term, no more than one seat falling vacant during a single year.

The board meets periodically with its meetings open to the public.

HISTORICAL AND LEGAL BACKGROUND OF
HORSERACING IN CALIFORNIA

Shortly after 1900 a number of new racetracks were built in California and California became a center of breeding and racing activities. However, with increased activity and success abuses developed and because of abuses in California, and reports of corrupt practices throughout the nation, California followed the lead of New York and in 1909 declared horseracing with wagering on its results to be illegal.

The period between 1909 and 1933, when an initiative measure passed to relegalize such racing, there were three unsuccessful attempts to have the people vote to reestablish racing on a legal basis. The 1933 measure, in order to get the support of the people, wrote many safeguards into the law and gave complete jurisdiction and supervision over all racing activities to the State of California acting through the California Horse Racing Board, a three-member commission appointed by the Governor. Whereas previously racetracks had acted autonomously and the stewards had complete and final authority over all meetings, the California law transferred this authority to the centralized body, the commission. It gave the commission full and final authority over all aspects of all race meetings upon the result of which pari-mutuel wagering was conducted. The law also gave the board wide discretion in rulemaking powers, and pursuant to these powers the board passed rules establishing the authority of the stewards but making the stewards strictly and completely responsible to the board for all their actions.

Authority

The California Horse Racing Board was established pursuant to Section 25a of Article IV of the State Constitution and operates under the provisions of Sections 19400 through 19664 of the Business and Professions Code.

OBJECTIVES

The California Horse Racing Board supervises all race meetings in the state where parimutuel wagering is conducted. Principal activities of the board are concentrated in:

- Licensing of racing associations.
- Sanctioning of every person who participates in any phase of horse-racing.
- Designating racing days and charity days.
- Acting as a quasi-judicial body in matters pertaining to horseracing.
- Collecting the state's lawful share of revenue derived from horse-racing meets.
- Enforcing laws, rules and regulations pertaining to horseracing in California.

LICENSING

Licensing of personnel connected with horseracing is performed by a license clerk in the board's mobile office. Processing of applications includes checking of files, obtaining approvals by stewards, receipt of payments for license fees, and typing of licenses.

Since licensing is performed at the racetracks, information on applicants must be available in the mobile offices for on-the-spot decisions. Therefore, license, ruling and intelligence card files are maintained at mobile offices and/or headquarters. License application and penalty files are kept at headquarters only. Various means are used to distribute source or duplicate information to the different locations in an effort to keep files up to date.

ENFORCEMENT

The enforcement arm of the California Horse Racing Board is the Bureau of Investigation, under the supervision of a chief investigator, who is a peace officer. The Bureau of Investigation is staffed by race-track investigators on field assignments at each operating race meeting. Racetrack investigators compile and maintain intelligence information on racing participants and on those persons whose presence within a racing enclosure is considered inimical to the interests of the State of California. The Bureau of Investigation maintains liaison between the board and other local and state enforcement agencies to coordinate a policy of enforcement against violators of the gaming laws of the state. Investigators obtain necessary information for administrative cases coming before the board including investigations of racing offenses, improper conduct of racing participants, and documents required for hearings before the board. Investigators inspect racing operations for compliance with the rules and regulations of the board, cause the ejection of known undesirables from racing enclosures, and keep the board informed of all racing matters.

ADMINISTRATION

The board checks to determine compliance with the rules and regulations. Before each race horses are inspected, and after each race drug tests are made on horses under the supervision of a board-appointed veterinarian. The work of the board covers from the San Diego area to Ferndale. The headquarters office of the board is in Los Angeles. It also maintains two mobile offices in northern and southern California during conduct of race meetings. These mobile offices are staffed by the licensing and investigation personnel. Throughout a race meeting a certified public accountant, approved by the board, prepares an audited and certified statement covering the previous day's parimutuel sales, calculations and payouts. This statement, together with the association's check for the state's revenue, is presented to the license clerk in the mobile office. He deposits this check and all other fees in a special trust account the same day. Daily reports of deposits by the field offices are summarized. Funds are remitted weekly to the proper state funds based on a report issued by the board to the State Controller.

HORSERACING REVENUES

The state's revenues from horseracing are derived from licensee fees on a percentage of the parimutuel pool wagers at each racetrack, breakage of winning ticket amounts to the nearest 10 cents of each dollar, and escheated unclaimed parimutuel tickets. There is also a small amount of revenues from occupational licenses issued to owners, trainers, jockeys, and others.

The proceeds from 4 percent of the parimutuel wagering and from occupational license fees are deposited in the Fair and Exposition Fund. Proceeds from parimutuel fees in excess of 4 percent, and all other revenues (i.e., breakage, unclaimed parimutuel tickets, fines and miscellaneous) are deposited in the General Fund.

In accordance with the provisions of the Horse Racing Law, the revenues deposited in the Fair and Exposition Fund are appropriated, first, for support of the Horse Racing Board and for costs incurred by the Department of Agriculture in supervising, and by the Department of Finance in auditing, all fairs. The Horse Racing Law also provides for annual appropriations totaling not to exceed \$8,015,000 for promotion and encouragement of agricultural fairs and citrus fruit fairs and expositions, to be expended in accordance with the specifications contained therein. The law further provides that revenues in excess of the amounts appropriated shall be transferred to the General Fund at the end of each calendar month.

METHOD OF PARIMUTUEL WAGERING

<i>Amount wagered</i>	<i>Total takeout</i>	<i>State receives</i>	<i>Track receives</i>
1st \$10,000,000 -----	14%	5%	9%
2nd 10,000,000 -----	14	6	8
Over 20,000,000 to 75,000,000 -----	14	7	7
Over 75,000,000 to 125,000,000 -----	14	7.5	6.5
Over 125,000,000 -----	14	8	6

The California Horse Racing Board was responsible for collecting \$49,311,213 and \$54,799,427 in state revenues for the 1966-67 and 1967-68 fiscal years, respectively.

The chart below provides an accounting of the state's revenue with its resulting low cost of operations:

REVENUE REMITTED TO THE STATE TREASURY FOR THE FISCAL YEAR ENDED JUNE 30, 1968, AS COMPARED TO PRIOR YEAR PROCEEDS

Fair and Exposition Fund	1966-67	1967-68
4-percent license fees -----	\$25,469,158.00	\$19,920,976.00
Occupational license fees -----	\$3,325.00	79,024.00
	<u>\$25,552,483.00</u>	<u>* \$20,000,000.00</u>
General Fund		
Excess of 4-percent license fees -----	\$16,037,422.00	\$28,881,051.00
Breakage -----	6,490,915.00	4,835,787.00
Uncollected pari-mutuel tickets -----	475,658.00	298,178.00
Occupational license fees -----	---	26,358.00
Fines -----	4,575.00	7,135.00
Miscellaneous -----	160.00	418.00
Wildlife restoration fund -----	750,000.00	750,000.00
	<u>\$49,311,213.00</u>	<u>\$54,799,427.00</u>
Operating Cost -----	\$232,659.00	\$267,354.00
Percent relationship to revenue -----	0.47%	0.48%
Number of race meetings -----	19	20
Number of days raced -----	573	668
Personnel employed -----	16.9	19.2
A. Los Angeles office -----	6.0	7.0
B. Track investigators -----	6.0	6.2
C. Track license clerks -----	4.9	6.0
Horseracing revenue paid to state -----		\$54,799,427.00
Expenses: California Horse Racing Board		
Personal services		
Salaries and wages -----	\$168,344.00	
Staff benefits -----	15,551.00	
	<u>\$183,895.00</u>	
Operating expenses		
General office -----	5,912.00	
Printing -----	3,037.00	
Communications -----	5,986.00	
Traveling -----	33,640.00	
Rent -----	7,784.00	
Legal hearings -----	11,794.00	
Attorney General legal services -----	14,237.00	
Equipment -----	1,114.00	
	<u>\$83,449.00</u>	<u>\$267,354.00</u>
Net to state -----		<u>\$54,532,073.00</u>

* Section 19620 of the Business and Professions Code. Amount credited to the Fair and Exposition Fund shall not exceed \$20 million.

CALIFORNIA HORSE RACING BOARD

SPECIAL PROGRESS REPORT

TO

THE GOVERNOR AND THE LEGISLATURE

Submitted in Accordance with the Provisions of Section 13 of
Assembly Bill 1082 (Statutes 1967, Ch. 647)

March 28, 1968
Los Angeles, California

EDGAR A. HILLS, *Chairman*
LOUIS H. KORNIK, *Member*
J. R. FLUOR, *Member*
CHARLES L. HARMAN, *Secretary*

HENRY LEWIN, *Deputy Attorney General*
Representing the California Horse Racing Board

Section 13 of Assembly Bill 1082 (Statutes 1967, Ch. 647) requires the California Horse Racing Board to file with the Governor and the Legislature a progress report regarding the following matters:

"(1) The action taken by the board in allocating weeks of thoroughbred, harness and quarter horse horseracing as permitted by this act;

"(2) Any problems encountered by the board in the allocation of weeks of racing to provide for the development of north-south simultaneous thoroughbred racing and the introduction of night racing; and

"(3) The action taken by the board in allocating weeks of racing to associations conducting meetings north of the sixth standard parallel south, Mount Diablo base with respect to the California State Fair and Exposition, the California State Exposition and Fair, or county or district agricultural association fairs at which a horserace meeting is conducted."

Accordingly, the California Horse Racing Board hereby submits this special progress report in order to assist the Legislature in determining the effect of the 1967 horseracing act upon the economic condition of racing associations, breeding farms and racing stables in the State of California.

PRELIMINARY STATEMENT

The Horse Racing Act of 1967 (AB 1082) was declared to constitute a substantial revision of the horseracing law and the allocation of racing days and weeks. It provides that the maximum number of racing weeks to be allocated by the board for horseracing (other than fairs) be divided as follows:

	<i>North</i>	<i>South</i>
Thoroughbred races -----	33 weeks	41 weeks
Harness races -----	11 weeks	13 weeks
Quarter horse races -----	11 weeks	13 weeks

It further provides that any single association licensed to conduct a thoroughbred race meeting in northern California may receive no more than 11 weeks of racing and any single association licensed to conduct a thoroughbred race meet in southern California may receive no more than 15 weeks. The Legislature also stated: "In order for the changes which it makes to be effective before the California Horse Racing Board allocates racing days for the 1968 calendar year and to insure that the state maximize additional revenue for the General Fund which would be made possible by implementation of the provisions of this act, it is imperative that this act become effective immediately." The act became effective on July 10, 1967.

The California Horse Racing Board (the board), following the enactment of AB 1082, took immediate steps to implement it and carry out the intent of the Legislature. On July 27 and 28, 1967, the board held a duly noticed special meeting to consider the effect of AB 1082 on the race meetings then in progress. During this special public meeting, the board made two determinations: (1) that the exempt breakage provisions of AB 1082 became effective at the close of racing on July 10, 1967; and (2) that the new allocation of weeks and days (Sections 19530-19535 of the Business and Professions Code) applied to the remainder of the 1967 calendar year. Accordingly, Del Mar Turf Club, Western Harness Racing Association, and Los Alamitos Race Course applied for and received additional racing days in 1967 as follows:

Del Mar Turf Club	20 days
Western Harness Racing Assn.	10 days
Los Alamitos Race Course	4 days

The board held hearings on September 16, October 17, and November 2, 1967, devoted almost entirely to the allocation of 1968 racing dates. At each hearing representatives from every segment of the horseracing industry and everyone else who expressed a desire to be heard was permitted and encouraged to address the board. In addition, whenever the board deemed it necessary, it solicited ideas and suggestions in its effort to find the proper solutions to the new problems. Special attention was given to simultaneous racing, competitive racing within geographical areas, overlapping dates between fair meetings and major racing association meetings, as well as between meetings of major racing associations and between the various types of horseracing. The introduction of night racing in 1968 was also fully discussed.

Without delay the board granted the 1968 racing dates requested by Santa Anita Park, California Racing Association, Pacific Racing Association, Tanforan Racing Association (at Golden Gate Fields), Hollywood Park, and Del Mar Turf Club because of the urgent time factor and the absence of opposition.

On November 2, 1967, at the board's regularly scheduled public hearing in Los Angeles, further evidence and arguments pertaining to other racing applications for 1968 were considered. It was only after the remaining applicants announced that nothing further would be presented in support of each application that the board announced its decision. In announcing its decision, the board made it clear that it was guided by and gave a great deal of weight to the apparent intent of

the Legislature to "... insure that the state maximize additional revenue for the General Fund . . ."

The board, in deciding the 1968 racing schedule, granted all applications as requested, with the exception of Capitol Turf Club's application for a thoroughbred race meeting at Sacramento. It also denied the Sacramento State Fair and Exposition's application for a quarter horse meet in view of the State Fair's representation to the board that it did not intend to conduct such a meeting.

The original 1968 schedule created an unavoidable overlap between San Joaquin County Fair, the Sacramento State Fair and Exposition, and Tanforan Racing Association (at Bay Meadows).

On November 30, 1967, during the board's duly noticed regularly scheduled public hearing in San Mateo, the California State Fair and Exposition, Capitol Turf Club, San Joaquin County Fair and Del Mar Turf Club filed with the board petitions to reconsider the overlapping 1968 racing schedule. Following the taking of evidence, hearing of arguments and deliberating in public, the board announced that because prior notice of the petitions for reconsideration had not been given, it would at its next hearing on January 9, 1968, consider evidence from all interested parties on the issue of whether the petitions for reconsideration should be granted and if necessary whether the 1968 racing schedule should be reallocated.

On January 9, 1968, in Los Angeles, the board considered evidence and argument with regard to the petitions for reconsideration. It was the unanimous opinion of the board that Del Mar Turf Club presented "no new or additional evidence which would change the 1968 racing schedule," and the board denied Del Mar Turf Club's petition for reconsideration. The petitions of San Joaquin County Fair, California State Fair and Exposition, and Capitol Turf Club, however, were taken under submission and continued, to the board's next regular hearing on February 2, 1968.

On February 2, 1968, the board, after hearing argument and open deliberation, granted the petitions for reconsideration of the San Joaquin County Fair and the California Fair and Exposition, and reallocated the 1968 racing dates in northern California. Capitol Turf Club's petition was denied.

San Joaquin County Fair was permitted to conduct its fair race meeting without competition. Part of the California Fair and Exposition race meeting, from August 26 to September 5, 1968, was scheduled to be conducted without competition. However, that portion of the race meeting from September 6 to September 10, 1968, ran concurrently with Tanforan Racing Association at Bay Meadows. In order to comply with the board's directive, Pacific Racing Association, Tanforan Racing Association and California Jockey Club, with the permission of the board, reduced their respective race meetings from 11 to 10 weeks. Thus, thoroughbred racing weeks in northern California were reduced to eliminate most of the competition with the two fairs.

I

THE ACTION TAKEN BY THE BOARD IN ALLOCATING
WEEKS OF THOROUGHBRED, HARNESS AND QUARTER
HORSE RACING AS PERMITTED BY THE 1967 HORSE
RACING ACT

After many public hearings, the board allocated weeks of thoroughbred, harness and quarter horse racing as follows:

	Dates	Weeks
Thoroughbred Race Meetings		
Los Angeles Turf Club.....	12/26/67- 4/ 6/68	15
Santa Anita, Arcadia.....		
Pacific Racing Association.....	3/ 4/68- 5/13/68	10
Golden Gate Fields, Albany.....		
Hollywood Turf Club.....	4/ 9/68- 7/22/68	15
Hollywood Park, Inglewood.....		
Tanforan Racing Association.....	5/15/68- 6/15/68	5
Golden Gate Fields, Albany.....		
Del Mar Turf Club.....	7/24/68- 9/11/68	7
Del Mar, California.....		
Tanforan Racing Association.....	9/ 6/68-10/12/68	5
Bay Meadows, San Mateo.....		
California Jockey Club.....	10/14/68-12/23/68	10
Bay Meadows, San Mateo.....		
Harness Race Meetings		
California Horse Racing Association.....	12/30/67- 3/ 2/68	9
Bay Meadows, San Mateo.....		
Western Harness Racing Association.....	9/30/68-12/23/68	13
Hollywood Park, Inglewood.....		
Quarter Horse Race Meetings		
Peninsula Horse Racing Association.....	5/23/68- 7/13/68	7
Bay Meadows, San Mateo.....		
Los Alamitos Race Course.....	7/23/68- 9/ 9/68	7
Los Alamitos, California.....		
Los Alamitos Race Course.....	10/ 1/68-11/11/68	6
Los Alamitos, California.....		

As shown above, the board allocated 37 weeks of thoroughbred racing in southern California, although AB 1082 permits a maximum allocation of 41 weeks. Hollywood Turf Club and Santa Anita Park each applied for and received 15 weeks, the maximum number of weeks available to any single association. Del Mar Turf Club applied for and received seven weeks of thoroughbred racing. There are still in southern California four weeks of thoroughbred racing available during the 1968 calendar year for which the board received no application. The board has, however, made it clear that if an application for these four weeks is filed it would consider the application. Several groups have indicated an interest in this area.

Note: Subsequent to June 30, 1968, Oak Tree Racing Association applied for four weeks of thoroughbred racing October 4 through 31, 1968, at Santa Anita Park. A public hearing was held on August 6, 1968, at which time the board heard all the testimony. It was the opinion of the board that Assembly Bill 1082 was never intended to have horseracing in the same area at the same time of the day, and it was on this basis the board denied the Oak Tree application for 1968 dates.

In northern California the board allocated 30 weeks of thoroughbred racing although AB 1082 permits a maximum of 33 weeks. Each of the three major racing associations applied for and received 10 weeks of thoroughbred racing. Thoroughbred racing in northern California was not fully implemented in 1968 because the board, after reconsideration, decided to avoid overlapping this year between the major racing associations in San Francisco and the San Joaquin County Fair and the Sacramento State Fair and Exposition.

The maximum number of weeks, 13, were allocated to harness horse and quarter horse racing in southern California.

In northern California the California Horse Racing Association applied for and received nine weeks of harness racing, and Peninsula Horse Racing Association applied for and received seven weeks of quarter horse racing to be conducted at night only. There are two weeks of harness racing and four weeks of quarter horse racing available in northern California for which no application has been made. The board has repeatedly stated that it would favorably view an application for a quarter horse race meeting submitted by responsible private individuals, and that it would, in the best interest of racing and the public, give such an application immediate attention. However, no such application has yet been formally filed with the board.

II

ANY PROBLEMS ENCOUNTERED BY THE BOARD IN THE
ALLOCATION OF WEEKS OF RACING TO PROVIDE FOR
THE DEVELOPMENT OF NORTH-SOUTH SIMULTANEOUS
THOROUGHBRED RACING AND THE INTRODUCTION
OF NIGHT RACING

The board has not encountered any major problems in its effort to develop a north-south simultaneous thoroughbred racing schedule. Encouraged by the apparent cooperation between the various segments of the racing industry in its efforts to develop an integrated stakes schedule to afford opportunities for thoroughbred horses to race in more than one location, the board reports that much progress has been made.

The board believed that the Legislature, in passing AB 1082, intended that night racing be ready to commence in 1968 in order to facilitate the expansion of the horseracing schedule. The quarter horse and harness racing associations expressed their strong desire and eagerness to conduct night racing as soon as possible, but, due to unforeseen labor-management difficulties which plagued the industry in the recent past, the board was unable to take early and concrete action on night racing. The board regards labor-management disputes as a private matter to be resolved by the interested parties, and, although it did not participate in the negotiations, the board did request labor and management to make a progress report on their negotiations at each hearing, and on each occasion, including the last hearing of the board on March 14, 1968, the parties responded that there was "no progress." Notwithstanding this apparent stalemate in the labor-management negotiations, the board at the request of Peninsula Horse Racing Asso-

ciation allocated night dates to it for its quarter horse race meeting from May 23 to July 13, 1968, and at the request of Los Alamitos Race Course permitted it to conduct its 1968 quarter horse race meeting either during the day or night. Substantial sums of money have been and are being invested at Bay Meadows and Los Alamitos Race Course to install the necessary lighting facilities, and the board is hopeful that the labor-management difficulties will be resolved before May 23, 1968, when racing is scheduled to begin.

III

THE ACTION TAKEN BY THE BOARD IN ALLOCATING WEEKS OF RACING TO ASSOCIATIONS CONDUCTING MEETINGS NORTH OF THE SIXTH STANDARD PARALLEL SOUTH, MOUNT DIABLO BASE, WITH RESPECT TO THE CALIFORNIA STATE FAIR AND EXPOSITION, THE CALIFORNIA STATE EXPOSITION AND FAIR, OR COUNTY OR DISTRICT AGRICULTURAL ASSOCIATION FAIRS AT WHICH A HORSERACING MEETING IS CONDUCTED

Every fair in California which applied for racing dates had its application granted in its entirety, i.e.:

	Dates	Days
Fair Race Meetings		
Solano County, Vallejo.....	6/17/68- 6/29/68	12
Alameda County, Pleasanton.....	7/ 1/68- 7/13/68	12
Sonoma County, Santa Rosa.....	7/15/68- 7/27/68	12
San Mateo County, San Mateo.....	7/29/68- 8/10/68	12
Humboldt County, Ferndale.....	8/12/68- 8/17/68	6
San Joaquin County, Stockton.....	8/14/68- 8/24/68	10
California State Fair, Sacramento.....	8/26/68- 9/10/68	14
Los Angeles County, Pomona.....	9/13/68- 9/28/68	14
Fresno District Fair, Fresno.....	10/ 3/68-10/12/68	9

Note: Appaloosa horses raced for the first time in California at Humboldt County Fair held August 7 through August 12, 1967. A total of 14 races were run, and the amount wagered was \$81,999.

During 1968, 33 races were run, of which 12 were at Solano, 12 at Sonoma, and 14 races at Humboldt County Fair.

Further, in this connection, racing by private enterprise was curtailed to eliminate any competition (except for four days) with racing fairs.

CONCLUSION

Although in its first experimental year many unanticipated problems have occurred under AB 1082, the board has attempted to hear from all interested parties and to move towards amicable solutions under the new circumstances. The board is further pleased to report an enthusiastic response from people associated with all segments of the racing industry to AB 1082 and the favorable avenues toward the progress it has paved. The board has tried to make it clear both during its hearings

and through its actions that the 1968 racing schedule is still not a firm solution to the racing industry's new problems as they face new responsibilities and increased racing demands. It appears that not until the completion of the 1970 racing season will sufficient experience be available to properly evaluate and judge the merits of AB 1082.

CALIFORNIA HORSE RACING BOARD MEETINGS

July 1, 1966-June 30, 1967

July 12, 1966.....	Los Angeles
August 2, 1966.....	San Diego
September 7, 1966.....	Los Angeles
October 4, 1966.....	Los Angeles
November 14, 1966.....	San Francisco
December 13, 1966.....	Los Angeles
January 4, 1967.....	Los Angeles
February 7, 1967.....	Los Angeles
March 14, 1967.....	Los Angeles
April 6, 1967.....	Los Angeles
May 1, 1967.....	Albany
June 6, 1967.....	Los Angeles

July 1, 1967-June 30, 1968

July 14, 1967.....	Los Angeles
July 27, 1967.....	Los Angeles
July 28, 1967.....	Los Angeles
August 3, 1967.....	Los Angeles
September 6, 1967.....	Los Angeles
October 6, 1967.....	San Mateo
October 17, 1967.....	Los Angeles
November 2, 1967.....	Los Angeles
November 30, 1967.....	San Mateo
January 9, 1968.....	Los Angeles
February 6, 1968.....	Los Angeles
March 14, 1968.....	San Francisco
April 10, 1968.....	Los Angeles
June 6, 1968.....	Los Angeles

STATISTICAL INFORMATION

REVENUE RECEIVED BY THE STATE EACH FISCAL YEAR
SINCE RACING WAS LEGALIZED

Fiscal year	Total revenue to state	Fiscal year	Total revenue to state
85th, 1933-1934-----	\$259,657	103rd, 1951-1952-----	\$19,883,709
86th, 1934-1935-----	1,005,103	104th, 1952-1953-----	20,752,406
87th, 1935-1936-----	1,587,373	105th, 1953-1954-----	22,479,830
88th, 1936-1937-----	1,933,259	106th, 1954-1955-----	22,864,199
89th, 1937-1938-----	2,661,142	107th, 1955-1956-----	25,050,884
90th, 1938-1939-----	3,030,689	108th, 1956-1957-----	26,778,752
91st, 1939-1940-----	2,332,230	109th, 1957-1958-----	25,885,255
92nd, 1940-1941-----	3,799,115	110th, 1958-1959-----	28,029,923
93rd, 1941-1942-----	1,515,435	111th, 1959-1960-----	36,117,012
94th, 1942-1943-----	1,077,685	112th, 1960-1961-----	37,330,906
95th, 1943-1944-----	2,372,392	113th, 1961-1962-----	38,204,940
96th, 1944-1945-----	8,258,568	114th, 1962-1963-----	41,653,349
97th, 1945-1946-----	22,778,671	115th, 1963-1964-----	43,442,430
98th, 1946-1947-----	18,741,499	116th, 1964-1965-----	47,560,370
99th, 1947-1948-----	20,136,744	117th, 1965-1966-----	47,442,605
100th, 1948-1949-----	17,091,734	118th, 1966-1967-----	49,311,213
101st, 1949-1950-----	14,129,723	119th, 1967-1968-----	54,799,427
102nd, 1950-1951-----	16,264,097		
		Total revenue-----	\$727,132,377

STATE OF CALIFORNIA
DISTRIBUTION BY FUND OF HORSE RACING REVENUE PAID TO THE STATE
July 1, 1967, to June 30, 1968

	Fair and Exposition Fund ¹	General Fund			Wild Life Restoration Fund ²	Total revenue
		Percentage of pool ²	Breakage	Total General Fund		
Thoroughbred Race Meetings						
Hollywood Turf Club—Inglewood						
Summer meeting 1967—last 18 days	\$2,414,987.40	\$1,531,216.33	\$777,170.13	\$2,358,305.46	\$750,000.00	\$5,523,382.80
Summer meeting 1968—first 50 days		10,972,537.07	1,710,239.73	12,682,875.80		12,682,875.80
Operating Co.—Del Mar						
Summer meeting 1967—62 days	1,025,580.64	1,144,185.48		1,144,185.48		3,069,760.12
California Jockey Club—Bay Meadows						
Fall meeting 1967—49 days	1,032,606.60	924,499.95		924,499.95		2,557,106.55
Pacific Racing Association—Albany						
Spring meeting 1968—50 days	709,072.00	2,342,101.23		2,342,101.23		3,051,233.83
Tanforan Racing Association						
Fall meeting 1967—34 days—Bay Meadows	1,004,280.08	606,353.73		606,353.73		1,670,640.11
Spring meeting 1968—24 days—Albany		1,313,506.72		1,313,506.72		1,313,506.72
Los Angeles Turf Club—Santa Anita						
Winter meeting 1967—63—72 days	6,824,528.02	6,942,645.83	2,264,185.94	9,206,831.77		16,031,360.69
Totals, Thoroughbred Race Meetings	\$14,511,122.81	\$25,887,210.31	\$4,751,654.80	\$30,638,871.14	\$750,000.00	\$45,899,993.98
Harness and Quarter Horse Race Meetings						
Harness racing meeting						
Western Harness Racing Association						
Fall meeting 1967—65 days	\$2,102,689.72	\$1,322,017.20	\$50,226.99	\$1,372,244.28		\$3,534,934.00
Harness and quarter horse race meeting						
California Horse Racing Association—Bay Meadows						
Winter meeting 1968—40 days	530,916.36	165,458.18		165,458.18		696,374.54
Quarter horse race meetings						
Los Alamitos						
Fall meeting 1967—29 days	710,279.64	532,709.73		532,709.73		1,242,989.37
Peninsula Horse Racing Association						
Spring meeting 1968—first 20 days		226,075.80		226,075.80		226,075.80
Totals, Harness and Quarter Horse Race Meetings	\$3,403,885.72	\$2,240,261.00	\$50,226.99	\$2,296,487.99		\$5,700,373.71

CALIFORNIA HORSE RACING BOARD

Fairs						
Solano County—Vallejo 1967 meeting—last 2 days	\$38,938.12	\$9,734.53	\$0,367.00	\$16,101.53		\$55,039.65
1968 meeting—first 10 days		201,225.30		201,225.30		201,225.30
Alameda County—Pleasanton 1967 meeting—12 days	277,497.20	69,374.30	27,538.03	96,912.33		374,409.53
Sonoma County—Santa Rosa 1967 meeting—12 days	216,240.24	54,060.00		54,060.00		270,300.30
San Mateo County—Bay Meadows 1967 meeting—12 days	289,088.08	72,272.17		72,272.17		361,360.85
Humboldt County—Ferndale 1967 meeting—6 days	15,959.36	3,014.84		3,014.84		19,974.20
2nd District Agricultural Association—Stockton						
1967 meeting—10 days	138,580.28	34,645.07		34,645.07		173,225.35
California State Fair and Exposition—Sacramento						
1967 fair meeting—10 days	257,566.48	64,391.62		64,391.62		321,958.10
1967 quarter horse meeting—22 days	67,161.40	16,790.35		16,790.35		83,951.75
Los Angeles County—Pomona 1967 meeting—14 days	579,424.72	189,712.36		189,712.36		769,137.08
21st District Agricultural Association—Fresno						
1967 meeting—9 days	125,810.06	31,452.74		31,452.74		157,262.70
Total—Fairs	\$2,005,967.44	\$747,673.34	\$33,905.03	\$781,478.37		\$2,787,445.81
Totals—Track license fees	\$19,920,976.00	\$28,881,050.68	\$4,835,780.82	\$33,716,837.50	\$750,000.00	\$54,387,813.50
Miscellaneous licenses, jockeys, etc.	\$79,024.00			\$26,858.00		\$105,882.00
Fines and penalties ³				7,135.00		7,135.00
Unclaimed parimutuel tickets ⁴				298,178.30		298,178.30
Miscellaneous revenue				-417.97		-417.97
Transfer to General Fund ⁵	-12,054,028.68			+12,054,028.68		
Totals, revenue from horse racing	\$7,945,971.32			\$46,163,455.51	\$750,000.00	\$54,799,426.86

¹4% of parimutuel pools plus miscellaneous fees for jockeys, trainers, etc., not to exceed \$20,000,000.

²1% of first \$10,000,000, 2% of second \$10,000,000, 3% of next \$55,000,000, 3 1/2% of next \$50,000,000 and 4% of all over \$125,000,000 handled in the parimutuel pools at any race meeting. The first \$750,000.00 paid into the State Treasury from this part of the license fee during the fiscal year is paid into the Wildlife Restoration Fund and the balance is paid into the General Fund. In addition, the 4% of parimutuel pools and the miscellaneous license fees in excess of \$20,000,000.

³Money fines or penalties imposed by stewards at race meetings.

⁴Unclaimed amounts payable on parimutuel tickets.

⁵Unappropriated balance of Fair and Exposition Fund transferred to the General Fund.

EIGHTEENTH BIENNIAL REPORT

STATE OF CALIFORNIA
DISTRIBUTION OF FAIR AND EXPOSITION FUND REVENUE

July 1, 1967, to June 30, 1968

Revenue from horseracing.....	\$20,000,000.00
Proceeds from sale of real property, Sec. 4002, Agricultural Code.....	1,000.00
Total revenue.....	\$20,001,000.00
Less appropriation transferred to other funds:	
State Fair Fund:	
Support—State Fair and Exposition.....	\$265,000.00
Museum of Science and Industry Fund:	
Support.....	15,000.00
General Fund—Budget Act appropriations.....	*526,100.00
Total transfers to other funds.....	\$806,100.00
Net total, Fair and Exposition Fund revenue.....	\$19,194,900.00
Less appropriations:	
Department of Agriculture.....	\$202,065.00
Department of Finance.....	125,547.00
Horse Racing Board.....	242,151.00
1-A District Agricultural Association.....	*225,000.00
48th District Agricultural Association.....	*112,500.00
Agricultural Associations—Capital Outlay.....	1,000.00
Los Angeles County Fair.....	*225,000.00
Total appropriations.....	\$1,133,268.00
First balance.....	\$18,061,637.00
Appropriations from first balance:	
Encouragement of citrus fairs.....	*162,000.00
Encouragement of district and county fairs.....	*4,234,400.00
Total encouragement of fairs.....	\$4,396,400.00
Second balance.....	\$13,665,237.00
Appropriation from second balance:	
Capital Outlay for fairs, Sec. 19630, Business and Professions Code.....	2,250,000.00
Balance.....	\$11,415,237.00
Reverting balances and accrued revenue redistributed.....	638,791.68
Revenue for the General Fund.....	\$12,054,028.68

* Continuing appropriations reduced by Budget Act of 1967.

STATE OF CALIFORNIA
DISTRIBUTION OF FAIR AND EXPOSITION FUND REVENUE

July 1, 1966, to June 30, 1967

Revenue from horseracing.....	\$25,552,482.88
Proceeds from sale of real property, Sec. 88, Agricultural Code.....	26,979.48
Proceeds from sale of real property, Secs. 25902/3, Government Code.....	3,620.00
Miscellaneous revenue.....	32.98
Total revenue.....	\$25,583,115.34
Reverting balances and accrued revenue redistributed.....	\$553,068.53
Total available for distribution.....	\$26,136,183.87
Less appropriation ahead of first balance:	
Department of Agriculture.....	\$199,096.00
California Horse Racing Board.....	249,137.00
Department of Finance.....	125,547.00
California State Fair and Exposition.....	265,000.00
Los Angeles County Fair.....	250,000.00
1-A District Agricultural Association.....	250,000.00
California Museum of Science and Industry.....	15,000.00
48th District Agricultural Association.....	125,000.00
Capital outlay, district fairs, Sec. 88, Agricultural Code.....	26,979.48
Capital outlay, county fairs, Secs. 25902/3, Government Code.....	3,620.00
Total appropriations ahead of first balance.....	\$1,510,279.48
First Balance.....	\$24,625,904.39
Less appropriations from first balance:	
Encouragement of citrus fairs.....	\$180,000.00
Encouragement of district and county fairs.....	4,680,000.00
Total appropriations from first balance.....	\$4,860,000.00
Second Balance.....	\$19,765,904.39
Less appropriations from second balance:	
Capital outlay for fairs, Sec. 19630, Business and Professions Code.....	\$2,250,000.00
Capital outlay for fairs, Item 396.9, Budget Act of 1966.....	1,250,000.00
Department of Agriculture capital outlay.....	467.18
Total appropriations from second balance.....	\$3,500,467.18
Revenue for the General Fund.....	\$16,265,437.21

STATE OF CALIFORNIA
DISTRIBUTION BY FUND OF HORSE RACING REVENUE PAID TO THE STATE
July 1, 1966 to June 30, 1967

	Fair and Exposition Fund ¹	General Fund			Wildlife Restoration Fund ²	Total Revenue
		Percentage of pool ³	Breakage ³	Total General Fund		
Thoroughbred Race Meetings						
Hollywood Turf Club—Ingewood						
Summer meeting 1966—last 19 days	\$2,400,121.04	\$1,590,070.35	\$771,533.05	\$2,362,512.40	\$750,000.00	\$5,572,634.04
Summer meeting 1967—first 37 days	4,329,831.40	3,113,002.51	1,285,808.00	4,399,470.51		8,729,401.91
Operating Co.—Del Mar						
Summer meeting 1966—42 days	1,871,550.76	1,103,063.07	402,882.70	1,506,515.83		3,438,096.59
California Jockey Club—Bay Meadows						
Fall meeting 1966—49 days	1,568,521.92	870,391.44	326,415.60	1,202,807.04		2,771,328.96
Pacific Racing Association—Albany						
Spring meeting 1967—48 days	1,753,998.48	1,015,498.86	421,392.00	1,436,890.86		3,190,889.34
Tanforan Racing Association						
Fall meeting 1966—34 days—Bay Meadows	1,031,974.88	681,260.16	244,771.92	926,032.08		1,958,006.96
Spring meeting 1967—13 days—Albany	452,551.88	120,277.44	67,407.00	193,684.44		646,239.32
Los Angeles Turf Club—Santa Anita						
Winter meeting 1966-67—55 days	6,165,763.40	4,865,763.46	1,723,212.00	6,589,065.46		12,754,768.86
Totals, Thoroughbred Race Meetings	\$19,631,617.30	\$13,378,436.20	\$5,363,512.33	\$18,676,948.62	\$750,000.00	\$30,061,565.08
Harness and Quarter Horse Race Meetings						
Harness racing meeting						
Western Harness Racing Association						
Fall meeting 1966—last 35 days	\$1,400,977.20	\$1,008,806.22	\$406,807.03	\$1,415,613.25		\$2,816,590.45
Harness and quarter horse race meeting						
California Horse Racing Association—Bay Meadows						
Spring meeting 1967—55 days	681,353.56	210,076.78	111,782.00	352,458.78		1,033,812.34
Quarter horse race meetings						
Los Alamitos						
Fall meeting 1966—last 30 days	755,976.72	518,279.23	172,330.28	690,609.51		1,446,586.23
Spring meeting 1967—first 29 days	812,547.00	309,410.25	126,740.00	436,150.25		1,248,697.25
Peninsula Horse Racing Association						
Spring meeting 1967—20 days	204,034.92	51,008.73	35,240.00	86,248.73		290,283.65
Totals, Harness and Quarter Horse Race Meetings	\$3,854,889.40	\$2,128,181.21	\$852,899.31	\$2,981,080.52		\$6,835,069.02
Fairs:						
Solano County—Vallejo 1966 meeting—last 3 days	\$51,880.20	\$12,070.05	\$7,801.34	\$20,831.30		\$72,711.50
1967 meeting—first 10 days	157,765.32	39,441.33	21,705.00	64,146.33		221,911.65
Alameda County—Pleasanton 1966 meeting—12 days	272,008.48	68,002.12	45,030.11	113,032.23		385,040.71
Sonoma County—Santa Rosa 1966 meeting—10 days	194,446.48	48,610.12	29,135.10	77,745.23		272,181.70
San Mateo County—Bay Meadows 1966 meeting—8 days	213,806.70	53,474.10	32,710.62	86,184.81		300,081.57
Humboldt County—Ferndale 1966 meeting—6 days	16,722.84	4,180.71	4,025.73	8,206.44		24,929.28
2nd District Agricultural Association—Stockton						
1966 meeting—9 days	137,782.02	34,445.73	20,972.39	61,418.12		199,201.01
California State Fair and Exposition—Sacramento						
1966 fair meeting—10 days	245,197.40	61,209.35	38,880.15	100,179.50		345,376.90
Los Angeles County—Pomona 1966 meeting—14 days	583,564.72	181,782.36	98,804.08	280,586.44		864,151.16
21st District Agricultural Association—Fresno						
1966 meeting—9 days	126,392.00	31,598.00	26,379.11	57,977.11		184,369.11
Total—Fairs	\$1,979,651.12	\$535,803.06	\$334,503.69	\$870,307.05		\$2,810,058.77
Totals—Track license fees	\$25,469,157.88	\$16,037,421.46	\$6,490,915.33	\$22,528,336.79	\$750,000.00	\$48,747,491.67
Transfer to General Fund ⁴	-10,265,437.21			+10,265,437.21		
Miscellaneous licenses, jockeys, etc.	83,325.00					83,325.00
Fines and penalties ⁵				4,575.00		4,575.00
Unclaimed parimutuel tickets ⁶				475,057.70		475,057.70
Miscellaneous revenue				160.20		160.20
Totals, revenue from horseracing	\$9,287,045.67			\$30,274,166.90	\$750,000.00	\$40,311,212.57

¹4% of parimutuel pools plus miscellaneous fees for jockeys, trainers, etc.

²1% of first \$10,000,000, 2% of second \$10,000,000, 3% of next \$55,000,000, 3 1/2% of next \$50,000,000 and 4% of all over \$125,000,000 handled in the parimutuel pools at any race meeting. The first \$750,000 paid into the State Treasury from this part of the license fee during the fiscal year is paid into the Wildlife Restoration Fund and the balance is paid into the General Fund.

³One-half of the breakage on the first \$24,000,000 handled in the parimutuel pools and all of the breakage on that part of the parimutuel pools in excess of \$24,000,000 for any race meeting.

⁴Unappropriated balance of Fair and Exposition Fund transferred to the General Fund.

⁵Money fines or penalties imposed by stewards at race meetings.

⁶Unclaimed amounts payable on parimutuel tickets.

CALIFORNIA HORSE RACING BOARD

OCCUPATIONAL LICENSES ISSUED

Fiscal Year July 1966 to June 1967

202	Stable names	-----	@\$50	\$10,100
4,057	Horse owners	-----	10	40,570
843	Trainers	-----	10	8,430
173	Harness horse trainers and drivers	-----	10	1,730
209	Jockeys	-----	10	2,090
95	Jockey agents	-----	10	950
90	Racing officials	-----	10	900
80	Veterinarians	-----	10	800
265	Authorized agents	-----	10	2,650
17	Officers and directors	-----	10	170
36	Apprentice jockeys	-----	5	180
1,246	Parimutuel employees	-----	5	6,230
1,513	Grooms	-----	2	3,026
434	Exercise boys	-----	2	868
1,935	Miscellaneous	-----	2	3,870
68	Duplicates	-----	2	136
11,263	Totals	-----		\$82,700

Fiscal Year July 1967 to June 1968

244	Stable names	-----	@\$50	\$12,200
5,418	Horse owners	-----	10	54,180
1,080	Trainers	-----	10	10,800
255	Harness horse trainers and drivers	-----	10	2,550
246	Jockeys	-----	10	2,460
105	Jockey agents	-----	10	1,050
117	Racing officials	-----	10	1,170
343	Authorized agents	-----	10	3,430
156	Miscellaneous	-----	10	1,560
41	Apprentice jockeys	-----	5	205
1,532	Parimutuel employees	-----	5	7,660
2,063	Grooms	-----	2	4,126
475	Exercise boys	-----	2	950
958	Miscellaneous	-----	2	1,916
793	Stable employees	-----	2	1,586
30	Duplicates	-----	2	60
13,856	Totals	-----		\$105,982