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CHRB NEWS RELEASE

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ALTERNATE-RUNNER OPTION ON SCHEDULE FOR OAK TREE

PLEASANTON, CA – Bettors preferring to name alternate runners for horses scratched from Pick 6 races will see that option restored at the Oak Tree meeting next fall at Santa Anita Park in time for the Breeders' Cup, based on projections supplied Thursday to the California Horse Racing Board by a representative of the major totalizator system servicing the state's racetracks.

The CHRB broke new ground years ago by convincing Autotote to develop software to permit bettors to designate horses in Pick 6 wagers to replace scratched horses. However, following the controversy over the Pick 6 pool for the Breeders' Cup at Arlington Park last year, security upgrades throughout the country eliminated that option and automatically replaced any scratched horse with the favorite in that race.

Largely due to urging from California racing commissioners, Autotote has been hard at work developing the protocols necessary to reintroduce alternate selections without compromising security for the Pick 6. Dave Payton, western sales manager for Autotote, said Thursday the upgrades have been submitted to the totalizator standards committee of the Association of Racing Commissioners International for review and approval.

"It looks like we will be able to get everything in place on target for the Oak Tree meet (which opens September 28)," said Payton.

The upgrades will permit the scanning of all wagers placed on the Pick 6 on a race-by-race basis and the transmission of pertinent details to the host track. Any changes to those wagers would be automatically detected, according to Payton.

In other business, the Board split 3-3 (one short of the majority needed to adopt) on a proposal to add a new bet to the wagering menu variously called "Beat the Odds" or "Beat the Favorite." This rather complicated wager would allow bettors to select horses in three or more races on a racing card to beat the favorites in those races. A win by the favorite in any selected race would make that entire wager a loser. The pool would be distributed to those with the highest \$2 win mutual total for non-favorite winners.

Supporters of the wager predicted it would become very popular, result in spectacular payoffs, and give bettors an option to play against the favorites, something most people like to do anyway. Those in opposition, including CHRB Chairman Roger Licht, described the wager as "too confusing," particularly for new fans, and would result in "too much money going to too few."

In the split vote, Commissioners Alan Landsburg and John Sperry voted with Licht in opposition to the wager while Commissioners Sheryl Granzella, John Harris, and Marie Moretti voted to adopt. Commissioner William Bianco was not in attendance. The matter is scheduled for discussion at the next meeting of the CHRB Pari-Mutuel Operations Committee and could go back before the Board for reconsideration at some later date.

Harris and Landsburg, two members of a special committee looking into licensing requirements for race meets, both expressed disappointment that no racing associations have submitted any suggestions to date. They are seeking input on such issues as whether surveillance cameras should be required in stable areas and whether racing associations should be required to work with any licensed ADW operator. The committee plans to provide monthly updates to the Board.

Licht appointed both Harris and Landsburg to a new ad hoc committee that will take a broad view on California marketing, including the use of \$6 million in legislatively authorized marketing funds diverted from track commissions and horsemen's purses.

Regarding efforts by the Board to convince racing publications to voluntarily stop carrying advertisements for illegal wagering operations, Licht noted, "You may have noticed, the Daily Racing Form has virtually eliminated all of the offshore gambling ads. This is a major plus for all of the industry. It shows that the Form is not just a business – that it takes into consideration the needs of the industry. Their ethics are outstanding. We all owe them a debt of gratitude."

Licht said the CHRB's "ongoing backstretch investigation" is being supported by all of the major racing associations, who he thanked for "helping to make a level playing field out there."

The Board approved license applications for horse-racing meets in Del Mar (July 23 through September 10), Vallejo (July 9 through July 20), Santa Rosa (July 23 through August 4), San Mateo (August 6 through August 18), Ferndale (August 7 through August 17), and Sacramento (August 20 through September 1).

In conformance with national recommendations, the Board voted to add snake and snail venom to the list of prohibited veterinary practices, establishing a prohibition against the possession of those substances at racetracks and facilities under CHRB jurisdiction.

The Board authorized Golden Gate Fields to distribute \$62,500 in charity racing day proceeds to nine beneficiaries, the Oak Tree Charitable Foundation to distribute \$94,500 to 22 beneficiaries, and the Los Angeles Turf Club to distribute \$259,212 to 24 beneficiaries.

The Board authorized the expenditure of \$1,629,500 in fiscal year 2003-2004 for stewards' services and \$461,000 for official veterinarian services. And for the next three fiscal years, the Board authorized the expenditure of \$2,937,900 for various service contracts, including \$1,757,400 to the University of California at Davis for complementary drug testing and another \$114,000 to U.C. Davis for postmortem services.

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