

THIRD BIENNIAL REPORT

of the

**California Horse
Racing Board**

of

CALIFORNIA

to the

GOVERNOR

and to the

Legislature of the State of California

For the Period December 1, 1936, to November 30, 1938



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CALIFORNIA HORSE RACING BOARD

BOARD MEMBERS

CARLETON F. BURKE, Chairman
SAMUEL M. HASKINS
HENRY P. RUSSELL

W. C. BUCHANAN, Secretary

OFFICES

Los Angeles Office

405 CHAMBER OF COMMERCE BUILDING,
LOS ANGELES, CALIFORNIA

Sacramento Office

637 FORUM BUILDING,
SACRAMENTO, CALIFORNIA

To the HONORABLE GOVERNOR, and

To the Legislature of the State of California.

Pursuant to the provisions of section 7, Chapter 769, Statutes of the State of California, 1933, entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," the California Horse Racing Board presents herewith its biennial report covering the period from December 1, 1936, to November 30, 1938.

The receipts of this board from all sources during the period covered by this report totaled \$5,186,114.80. As provided by law the revenue received by the board has been forwarded to the State Treasurer to be credited to the Fair and Exposition Fund. The California Horse Racing Board derives its revenue from the collection of 4 per cent of the mutuel pools handled at licensed race meetings, from the fees collected for certain licenses and registrations and from fines levied against associations licensed to conduct race meetings.

The revenue derived by the state for this biennium shows an increase of \$2,427,248.04 over the biennium ending November 30, 1936.

The Racing Act passed in 1933 provided for an annual support appropriation of \$20,000 for the California Horse Racing Board. This support appropriation was increased to \$30,000 per annum at the 1937 session of the legislature. The cost of administering the act for the biennium ending November 30, 1938, was \$45,454.30. (The members of this board receive no compensation for their services). The net revenue to the State was \$5,140,660.50.

From records available, it is the opinion of this board that its percentage of expense to revenue (less than 1 per cent) is the lowest in the United States, and its revenue exceeds that of any other state. The following table, covering the last fiscal or calendar year shows revenue and expense of states, designated by letter instead of name, in comparison with revenue and expense of California:

<i>State</i>	<i>Revenue to state</i>	<i>Expense to state</i>	<i>Percentage of expense to revenue</i>
CALIFORNIA -----	\$2,661,142 32	\$24,445 74	Less than 1 %
A -----	2,145,270 14	148,252 88	6.9%
B -----	1,999,845 32	198,713 12	9.9%
C -----	1,108,297 61	22,243 12	2.0%
D -----	614,802 00	13,141 73	2.9%
E -----	594,310 81	75,043 00	12.7%
F -----	225,674 53	3,667 12	1.6%
G -----	176,649 45	36,929 80	20.9%
H -----	53,423 82	13,679 63	23.4%

This record has been accomplished through practice of the strictest economy in every operation of the board, and without any lessening of the thorough supervision and control of racing. The licensed racing associations and fairs have given the board their full cooperation and support in its efforts to conduct racing on the highest possible plane.

Owing to the great public interest in the sport, our racing associations have been highly successful, resulting in greatly increased purse and stakes programs, unequalled in the history of racing, and the expenditure of millions of dollars in the improvement and beautification of their plants. These beautiful race courses, and the high plane upon which the sport is conducted, now constitute one of the major tourist attractions of California. They not only attract the great racing stables of the country, but a multitude of sports-loving people who spend annually many millions of dollars in our state.

RULES OF RACING

Early in 1938 the board, after thorough and painstaking study and investigation, adopted a new book of rules to govern racing in California. Those rules which experience indicated had been effective and equitable were incorporated in the new book, some were changed or amended and some new rules added, the board having in mind at all times the elevation of the sport and the protection of the public and those participating in racing.

The provisions of the Racing Act that 3 per cent of the first money of every purse won by a horse bred in the State of California shall be paid to the breeder of such animal, and that there shall be at least one race each day limited to horses foaled in California, are being strictly complied with, and in addition there have been established many valuable stakes for California-breds, including the \$5,000 added stake for California-breds at Bay Meadows, a similar stake for \$5,000 added at Tanforan, two \$10,000 added stakes for California-breds at Santa Anita, and a \$2,500 added and a \$5,000 added at Hollywood Park.

These stakes offer a splendid inducement to California breeders, and create a ready market for California-bred horses.

The records show that for the biennium covered by this report the huge sum of \$4,056,980 was paid in purses and stakes by the licensed associations and fairs operating under license by this board and that by far the major portion was won by our Western breeders and owners. During that same period California-bred horses won 1,368 races run on California tracks.

It is felt by the board that the avowed purpose of the Racing Act, "the encouragement of agriculture and the breeding of horses," is being substantially carried out, and that the sport has been established in California on a firm and enduring basis.

RACING PERMITS GRANTED

Name	No. of days	Total mutuel pools	1/2 state
Bay Meadows (Fall)—			
December 1, 1936-December 19, 1936----	14	\$2,448,043 00	\$97,921 72
Santa Anita (Winter)—			
December 25, 1936-March 6, 1937-----	55	30,068,466 00	1,202,738 64
Tanforan (Spring)—			
March 13, 1937-April 17, 1937-----	25	4,244,801 00	169,792 04
Bay Meadows (Spring)—			
April 24, 1937-May 29, 1937-----	25	4,363,273 00	174,530 92
Solano County Fair—			
May 15, 1937-----	1	8,870 00	146 80
13th District Agricultural Society—			
May 31, 1937-----	1	2,794 00	111 76
Monterey County Racing Association—			
May 31, 1937-June 1, 3, 4, 5, 1937----	5	95,641 00	3,825 64

<i>Name</i>	<i>No. of days</i>	<i>Total mutuel pools</i>	<i>1/2 state</i>
Del Mar (Summer)— July 3, 1937 to July 31, 1937.....	22	\$2,224,301 00	\$88,972 04
Santa Barbara County Fair— July 21, 1937-July 24, 1937.....	4	14,664 00	586 56
San Diego County Fair— August 7, 1937-August 14, 1937.....	6	29,976 00	1,199 04
35th District Agricultural Fair— August 6, 1937-August 7, 1937.....	2	2,153 00	86 12
12th District Agricultural Association— August 6, 1937-August 7, 1937.....	2	5,590 00	223 60
Sonoma County Fair— August 10, 1937-August 14, 1937.....	5	62,212 00	2,488 48
Humboldt County Fair— August 19, 1937-August 21, 1937.....	3	5,650 00	226 00
San Joaquin County Fair— August 20, 1937-August 28, 1937.....	8	148,999 00	5,959 96
State Fair— September 3, 1937-September 11, 1937..	8	305,193 00	12,207 72
Fresno Fair— September 21, 1937-September 25, 1937	5	35,243 00	1,409 72
41st District Agricultural Association— September 24, 1937-September 25, 1937	2	3,007 00	120 28
9th District Agricultural Fair— September 30, 1937, October 2, 1937, October 4, 1937.....	3	18,364 00	734 56
Los Angeles County Fair— September 17, 1937-October 2, 1937.....	14	1,754,000 00	70,160 00
Bay Meadows (Fall)— October 9, 1937-November 13, 1937....	25	4,844,543 00	193,781 72
Tanforan (Fall)— November 16, 1937-December 18, 1937..	25	4,519,117 00	180,764 68
Santa Anita (Winter)— December 25, 1937-March 12, 1938....	58	37,889,491 00	1,515,579 64
Bay Meadows (Spring)— March 19, 1938-April 23, 1938.....	25	3,989,259 00	159,570 36
Solano County Fair— April 7, 1938.....	1	4,253 00	170 32
Tanforan (Spring)— April 30, 1938-June 4, 1938.....	25	3,415,852 00	136,634 08
Hollywood (Summer)— June 10, 1938-June 23, 1938.....	34	16,858,398 00	674,335 92
Sonoma County Fair— August 9, 1938-August 13, 1938.....	5	80,038 00	3,201 52
Humboldt County Fair— August 18, 1938-August 20, 1938.....	3	10,753 00	430 12
San Joaquin County Fair— August 19, 1938-August 27, 1938.....	8	147,159 00	5,886 36
Del Mar (Summer)— July 29, 1938-September 5, 1938.....	25	3,920,251 00	156,810 04
State Fair— September 2, 1938-September 10, 1938..	8	374,960 00	14,998 40
Fresno District Fair— September 13, 1938-September 17, 1938	5	40,997 00	1,639 88
41st District Agricultural Association— September 22, 1938-September 24, 1938	3	5,339 00	213 56
9th District Agricultural Association— September 28, 1938-October 1, 1938....	4	34,337 00	1,373 48
Los Angeles County Fair— September 16, 1938-October 1, 1938....	14	1,748,993 00	69,959 72
Bay Meadows (Fall)— October 8, 1938-November 12, 1938....	25	3,688,183 00	147,527 32
Tanforan (Fall)— November 15, 1938-November 30, 1938..	12	1,474,127 00	58,965 08
Totals.....	515	\$128,882,095 00	\$5,155,283 80

PURSE AND STAKES DISTRIBUTION		<i>Total purse and stakes</i>
<i>Name</i>		
Bay Meadows		\$846,400 00
Del Mar		288,600 00
Hollywood		444,780 00
Santa Anita		1,473,500 00
Tanforan		622,100 00
Fairs		381,600 00
		\$4,056,980 00

LICENSES AND REGISTRATIONS ISSUED		
Owners' Licenses		\$2,299 00
Trainers		11,100 00
Special Trainers		332 00
Jockeys		3,480 00
Harness Horse Drivers		156 00
Apprentice Jockeys		145 00
Officials		157 00
Exercise Boys		813 00
Grooms		2,339 00
Pari-Mutuel Operators		2,619 00
Miscellaneous, Handlers, etc.		531 00
Authorized Agents Recording Fees ..		3,400 00
Assumed Names Registered		3,075 00
Jockey Agents		335 00
Total		\$30,831 00

FINES AGAINST ASSOCIATIONS

None.

SUSPENSION OF PERMITS ISSUED TO ASSOCIATIONS

None.

LICENSEES SUSPENDED OR RULED OFF BY BOARD

Owners	2
Owner-Trainer	2
Trainers	2
Jockeys	13
Pari-Mutuel Operators	4
Authorized Agents	2

Herewith is the financial statement of this board for the period December 1, 1936, to November 30, 1938:

STATEMENT OF EXPENDITURES—THIRD BIENNIAL REPORT

For the Period December 1, 1936, to November 30, 1938

<i>Function</i>	<i>Salaries and wages</i>	<i>Materials and supplies</i>	<i>Service and expense</i>	<i>Property and equipment</i>	<i>Total</i>
Administration:					
Board members travel- ing			\$684 14		\$684 14
Other traveling			7,715 50		7,715 50
General office	\$21,285 53	\$1,491 93	10,356 52	\$628 75	33,762 73
Salary adjustment to minimum paid this biennium affect- ing prior biennium	34 84				34 84
Postage			367 35		367 35
Tel., Tel. and Tel.			2,027 26		2,027 26
Freight, cartage, express			362 48		362 48
Totals	\$21,320 37	\$1,491 93	\$22,013 25	\$628 75	\$45,454 30

STATEMENT OF INCOME THIRD BIENNIAL REPORT

From 4 per cent of total mutuel pools, \$128,882,095.....	\$5,155,283 80
From license fees, registrations, etc.....	30,831 00
	<hr/>
	\$5,186,114 80

The board has no recommendations to make for any amendment to the Racing Act, inasmuch as a recent court decision makes unnecessary the amendment of the act, recommended in our Second Biennial Report, with reference to wagers made outside the enclosure, and also inasmuch as the racing situation in California has attained a position of preeminence in this country under the present law.

All of which is respectfully submitted.

CALIFORNIA HORSE RACING BOARD,

CARLETON F. BURKE, Chairman.
SAMUEL M. HASKINS, Member.
HENRY P. RUSSELL, Member.

W. C. BUCHANAN, Secretary.