

CALIFORNIA HORSE RACING BOARD

1010 Hurley Way, Suite 300
Sacramento, CA 95825
(916) 263-6000
www.chrb.ca.gov
information@chrb.ca.gov



REGULAR MEETING

Of the **California Horse Racing Board (CHRB/Board)** will be held on **Thursday, December 14, 2023**, commencing at **9:30 a.m.** in the **California Exposition and State Fair Grandstand, 1600 Exposition Boulevard, Sacramento, California.** The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website (www.chrb.ca.gov) under “Webcasts” via the Media Room tab.

The agenda for the regular meeting will consist of the following matters:

AGENDA

Action Items:

1. **Approval of the minutes of November 16, 2023.**
2. Discussion by the Board regarding the submission to the board of the **Northern California stabling and vanning proposed financial and operational plans for the upcoming calendar year**, as required pursuant to Business and Professions Code section 19607.3.
3. Discussion by the Board regarding the submission to the board of the **Southern California stabling and vanning proposed financial and operational plans for the upcoming calendar year**, as required pursuant to Business and Professions Code section 19607.1.
4. Discussion and action by the Board regarding the request to **modify the distribution of market access fees from Advanced Deposit Wagering for wagering conducted by Thoroughbred Associations and Racing Fairs in the Central and Southern zones to include a distribution to the Southern California Stabling and Vanning Fund**, and to adjust the amount distributed to that Fund from brick and mortar wagering to the same percentage as for ADW for 2024.
5. Discussion and action by the Board regarding entering into a **Voluntary Implementation Agreement with the Horseracing Integrity and Safety Authority, Inc. (HISA) and the Horseracing Integrity and Welfare Unit (HIWU).**
6. Discussion and Action by the Board on the **application for license to operate a minisatellite wagering facility at THi 68, Inc. dba New OC Tavern in San Clemente, CA**

7. Discussion and action by the Board regarding **California Thoroughbred Breeders Association, request for authorization of its upcoming horse sale at Fairplex in Pomona, California**, pursuant to CHRB Rule 1807, Authorized Horse Sales.
8. Discussion and action by the Board regarding the **distribution of race day charity proceeds of Los Alamitos Racing Association**, combined 2022 thoroughbred race meetings.
9. Report and discussion on **CHRB/CAHFS Postmortem Program, Fatality Review Program for fiscal year 2022-2023**.
10. Reports
 - A. **Executive Director's Report.**
 - B. **Equine Medical Director's Report.**
11. **Public Comment:** Communications, reports, requests for future actions of the Board.
Note: During the public comment period, a total of thirty minutes will be allowed for public comments. After thirty minutes, no further comments will be accepted. Each person will be limited to two minutes.
12. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code
 - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," and as authorized by Government Code section 11126(e).
 - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding pending administrative licensing or disciplinary matters as authorized by Government Code section 11126(e).
 - C. The Board may convene a Closed Session for the purposes of considering personnel matters as authorized by Government Code section 11126(a).
13. **Adjournment.**

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000. This notice is located on the CHRB website at www.chrb.ca.gov. Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact information@chrb.ca.gov. Requests will be swiftly resolved by CHRB staff.

CALIFORNIA HORSE RACING BOARD

Gregory L. Ferraro, DVM, Chairman

Oscar Gonzales, Vice Chair

Dennis Alfieri, Member

Damascus Castellanos, Member

Brenda Davis, Member
Thomas C. Hudnut, Member
Wendy Mitchell, Member
Scott Chaney, Executive Director
Cynthia Alameda, Deputy Executive Director

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PENDING LITIGATION
DECEMBER 2023

COURT LITIGATION

- A. Ruis Racing, LLC v. California Horse Racing Board**
Superior Court of California, County of Los Angeles
- B. Hollendorfer v. California Horse Racing Board**
Court of Appeal, 4th Appellate District
- C. Baltas v. California Horse Racing Board (Et. al)**
Superior Court of California, County of Los Angeles
- D. Jamgotchian v. California Horse Racing Board**
U.S. District Court, Central District of California
- E. Jamgotchian v. Lewis et al.**
Superior Court of California, County of Alameda

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**PENDING ADMINISTRATIVE ADJUDICATIONS**
DECEMBER 2023

The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters as authorized by Government Code section 11126(c) and (e). This shall include any matters mentioned below and/or permitted by law.

CASE**A. Proposed Decision of Jockey Appeal****Jockey Tiago Pereira**

Case Number: SAC 23-0030

B. Proposed Decision of Jockey Appeal**Jockey Ramon Vasquez**

Case Number: SAC 23-0036

C. Proposed Decision of Fitness Hearing**Owner Applicant, Darryl Abramowitz**

Case Number: 23DM0017

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REGULAR BOARD MEETING MINUTES

Date and Time: November 16, 2023, at 9:30 a.m.

Location: Los Alamitos Race Course
Finish Line Room
4961 Katella Avenue
Los Alamitos, CA

Board Members Present: Gregory Ferraro, Chairman
Oscar Gonzales, Vice-Chairman
Dennis Alfieri, Member
Damascus Castellanos, Member
Brenda Washington Davis, Member
Thomas Hudnut, Member

Staff Members Present: Scott Chaney, Executive Director
Jeff Blea, Equine Medical Director

1. APPROVAL OF THE MINUTES OF OCTOBER 19, 2023.

Motion: Approve.

Motioned/Seconded: Hudnut/Castellanos.

Roll call vote: **Aye:** Davis, Castellanos, Gonzales, Alfieri, Hudnut, Ferraro. **Nay:** None.

Motion carried.

Pages 3–4 in the Board transcript.

2. DISCUSSION AND ACTION ON ADOPTING THE HORSERACING INTEGRITY AND SAFETY AUTHORITY’S (HISA) RECOMMENDED NATIONAL CONCUSSION PROTOCOL FOR JOCKEYS, DEPENDENT ON FEDERAL TRADE COMMISSION’S APPROVAL OF HISA’S PROPOSED RULE.

Motion: Approve.

Motioned/Seconded: Davis/Hudnut.

Roll call vote: **Aye:** Davis, Castellanos, Gonzales, Alfieri, Hudnut, Ferraro. **Nay:** None.

Motion carried.

Pages 4–7 in the Board transcript.

Proceedings of the Regular Meeting of November 16, 2023

3. DISCUSSION AND ACTION BY THE BOARD ON THE **APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ALAMITOS RACING ASSOCIATION (LARA) AT LOS ALAMITOS RACE COURSE**, COMMENCING DECEMBER 6, 2023, THROUGH DECEMBER 19, 2023, INCLUSIVE.

Motion: Approve.

Motioned/Seconded: Gonzales/Castellanos.

Roll call vote: Aye: Davis, Castellanos, Gonzales, Alfieri, Hudnut, Ferraro. **Nay:** None.

Motion carried.

Pages 7–14 in the Board transcript.

4. DISCUSSION AND ACTION BY THE BOARD ON THE **APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION (LAQHRA) AT LOS ALAMITOS RACE COURSE**, COMMENCING DECEMBER 20, 2023, THROUGH DECEMBER 24, 2024.

Motion: Approve.

Motioned/Seconded: Castellanos/Hudnut.

Roll call vote: Aye: Davis, Castellanos, Gonzales, Alfieri, Hudnut, Ferraro. **Nay:** None.

Motion carried.

Pages 14–21 in the Board transcript.

5. DISCUSSION AND ACTION BY THE BOARD ON THE **APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ANGELES TURF CLUB (LATC), AT SANTA ANITA**, COMMENCING DECEMBER 20, 2023, THROUGH JUNE 18, 2024, INCLUSIVE.

Motion: Approve.

Motioned/Seconded: Hudnut/Alfieri.

Roll call vote: Aye: Davis, Castellanos, Gonzales, Alfieri, Hudnut, Ferraro. **Nay:** None.

Motion carried.

Pages 21–33 in the Board transcript.

6. DISCUSSION AND ACTION BY THE BOARD ON THE **APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE PACIFIC RACING ASSOCIATION (PRA), AT GOLDEN GATE FIELDS**, COMMENCING DECEMBER 20, 2023, CONTINUING THROUGH JUNE 11, 2024, INCLUSIVE.

Motion: Approve.

Motioned/Seconded: Castellanos/Hudnut.

Roll call vote: Aye: Davis, Castellanos, Gonzalez, Hudnut, Alfieri, Ferraro. **Nay:** None.

Motion carried.

Pages 33–40 in the Board transcript.

Proceedings of the Regular Meeting of November 16, 2023

7. DISCUSSION AND ACTION BY THE BOARD ON **WHETHER TO ELECT TO COLLECT AND REMIT FEES ON BEHALF OF THE HORSERACING INTEGRITY SAFETY AUTHORITY FOR CALENDAR YEAR 2023.**

Motion: Approve.

Motioned/Seconded: Castellanos/Davis.

Roll call vote: Aye: Davis, Castellanos, Hudnut, Alfieri, Ferraro. **Nay:** None. **Motion carried.**

Pages 40–42 in the Board transcript.

8. DISCUSSION AND ACTION BY THE BOARD REGARDING THE **DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION, FROM ITS 2022 RACE MEETING.**

Motion: Approve.

Motioned/Seconded: Hudnut/Alfieri.

Roll call vote: Aye: Davis, Castellanos, Gonzales, Alfieri, Hudnut, Ferraro. **Nay:** None.

Motion carried.

Pages 42–44 in the Board transcript.

9. DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST TO **MODIFY THE DISTRIBUTION OF MARKET ACCESS FEES FROM ADVANCE DEPOSIT WAGERING FOR WAGERING CONDUCTED BY THE SIGNATORY RACING ASSOCIATIONS FOR 2024 TO INCLUDE A DISTRIBUTION TO BE UTILIZED TO FUND A CALIFORNIA CO-OP MARKETING PROGRAM.**

Motion: Approve.

Motioned/Seconded: Hudnut/Ferraro.

Roll call vote: Aye: Castellanos, Ferraro, Hudnut, Alfieri, Gonzales, Castellanos. **Nay:** None. **Motion carried.**

Pages 44–46 in the Board transcript.

10. DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST FOR **APPROVAL OF THE NOMINATED MEMBERS TO THE BOARD OF DIRECTORS OF THE CALIFORNIA THOROUGHBRED HORSEMEN'S FOUNDATION, INC., PURSUANT TO CHRB RULE 2049(a), DESIGNATION AND APPROVAL OF HORSEMEN'S WELFARE FUND.**

Motion: Approve.

Motioned/Seconded: Alfieri/Davis.

Roll call vote: Aye: Hudnut, Alfieri, Gonzales, Castellanos, Washington Davis, Ferraro.

Nay: None. [Recuse: Castellanos.] **Motion carried.**

Pages 46–48 in the Board transcript.

Proceedings of the Regular Meeting of November 16, 2023

11. REPORTS

A. EXECUTIVE DIRECTOR'S REPORT

Pages 56–60 in the Board transcript.

B. EQUINE MEDICAL DIRECTOR'S REPORT

Pages 60–71 in the Board transcript.

12. PUBLIC COMMENT

Pages 66–78 in the Board transcript.

MEETING ADJOURNED AT 11:28 A.M.

Proceedings of the Regular Meeting of November 16, 2023

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

Chairman

Executive Director

Agenda Item 2

STAFF ANALYSIS

DISCUSSION BY THE BOARD REGARDING THE SUBMISSION TO THE BOARD OF THE NORTHERN CALIFORNIA STABLING AND VANNING PROPOSED FINANCIAL AND OPERATIONAL PLANS FOR THE UPCOMING CALENDAR YEAR, AS REQUIRED PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19607.3

Regular Board Meeting
December 15, 2023

BACKGROUND

Business and Professions Code section 19535(b) requires that for every race meeting in the northern zone, "the association or fair conducting the meeting shall provide all stabling required by the board pursuant to subdivision (a) without cost to participating horsemen. Offsite stabling shall be at a board approved facility or facilities selected by the association or fair, with the agreement of the organization representing horsemen participating at the meeting." Nevertheless, Business and Professions Code sections 19607.2 and 19607.3 creates a special fund-derived from handle at satellite wagering facilities that would otherwise be allocated for purses and commissions-that is to be used for offsetting the costs to racing associations and fairs for stabling and vanning horses at auxiliary training facilities. Pursuant to these statutes, the stabling and vanning fund is managed and administered jointly by the Thoroughbred Owners of California (TOC) and all associations and fairs within the northern zone at which thoroughbred racing is conducted.

ANALYSIS

Business and Professions Code section 19607.3(a) states that "The organization administering the offsite stabling and vanning program shall submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year." Accordingly, CHRB staff has requested submission of the Northern California Stabling and Vanning Organization's proposed financial and operational plans for the 2024 calendar year in order for the Board to complete its review.

RECOMMENDATION

This item is presented to the Board for discussion.

Northern California Stabling & Vanning Committee

TO: CHRB
FROM: Larry Swartzlander, Executive Director CARF
DATE: October 31, 2023
RE: 2024 Northern California Stabling & Vanning Plan

This memo is in response to the statutory requirements (19607.2 & 19607.3) for the submission of a 2024 Northern California stabling and vanning plan by November 1, 2023. Any such plan is contingent the CHRB determining final race dates and the awarding of race dates for a racing association to replace Pacific Racing Association in the fall of 2024. Both factors impact the fund generations and cost estimates for offsite stabling. Therefore, to meet the required deadline, we respectfully submit the following plan which will be updated as additional facts are established.

LS;jjh

Northern California Stabling and Vanning Fund Operational Plan for 2024

The 2024 plan assumes Golden Gate is not available for stabling during the Fair season. Offsite stabling for Sonoma County Fair is subject to agreement with CARF and may be different than represented in this plan. Sixty percent (60%) of the stalls will be provided at Alameda County Fairgrounds and forty percent (40%) at California State Fairgrounds. Alameda County Fair and California State Fair will provide offsite stabling during those meets. The offsite stabling fund generation from the Humboldt County Fair and the Fresno District Fair is used to fund offsite stabling during the Alameda County Fair, California State Fair and Sonoma County Fair.

Funding:

Generation from Brick & Mortar @ 2.00% (B&P 19607.2)	
Alameda County Fair	\$168,011
California State Fair	\$189,896
Fresno District Fair	\$118,274
Humboldt County Fair	\$133,651
Sonoma	\$152,899
Total	<u>\$762,731</u>

Total Fund Generation	<u><u>\$762,731</u></u>
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Expenses:

Stabling	
Alameda County Fair	\$457,639
California State Fair	<u>\$305,092</u>
Total	<u>\$762,731</u>

Vanning	
Alameda County Fair	\$0
California State Fair	\$0
Fresno District Fair	\$0
Humboldt County Fair	\$0
Sonoma	<u>\$0</u>
Total	<u>\$0</u>

Misc (Admin/Audit/Legal)	\$0
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Total Expenses	<u><u>\$762,731</u></u>
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Net for 2024	\$0
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Shortfall from Prior years	\$0
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Project ending balance 12/31/2024	\$0
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Notes:

- 1) Assumes Sonoma County Fair rejoins CARF
- 2) Assumes following allocation of weeks

Alameda County Fair	4 weeks
California State Fair	3 weeks
Humboldt County Fair	3 weeks
Fresno District Fair	3 weeks
Sonoma County Fair	3 weeks

STAFF ANALYSIS

DISCUSSION BY THE BOARD REGARDING THE SUBMISSION TO THE BOARD OF THE SOUTHERN CALIFORNIA STABLING AND VANNING PROPOSED FINANCIAL AND OPERATIONAL PLANS FOR THE UPCOMING CALENDAR YEAR, AS REQUIRED PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19607.1

Regular Board Meeting
December 15, 2023

BACKGROUND

Business and Professions Code section 19535(c) requires that for every race meeting in the central/southern zone, "all costs associated with the maintenance of the useable stalls for the racing meeting shall be borne by the association or fair conducting the meeting, and, with respect to useable stalls at an offsite location, the association or fair may be required, by order of the board, to bear the costs of vanning from the offsite location to the racing meeting." Nevertheless, Business and Professions Code sections 19607 and 19607.1 creates a special fund-derived from handle at satellite wagering facilities that would otherwise be allocated for purses and commissions-that is to be used for offsetting the costs to racing associations and fairs for stabling and vanning horses at auxiliary training facilities. Pursuant to these statutes, the stabling and vanning fund is managed and administered jointly by the Thoroughbred Owners of California (TOC) and all facilities within the central/southern zone at which a thoroughbred or fair racing meeting is conducted.

ANALYSIS

Business and Professions Code section 19607.1(a) states that "The organization administering the offsite stabling and vanning program shall submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year." Accordingly, CHRB staff has requested submission of the Central/Southern California Stabling and Vanning Organization's proposed financial and operational plans for the 2024 calendar year in order for the Board to complete its review.

RECOMMENDATION

This item is presented to the Board for discussion.

Southern California Stabling & Vanning Committee

TO: CHRB
FROM: William Nader, Chairman
DATE: October 31, 2024
RE: 2024 Southern California Stabling & Vanning Plan

This memo is in response to the statutory requirement (19607 & 19607.1) for the submission of a 2024 Southern California stabling and vanning plan by November 1, 2023. Therefore, to meet the required deadline, we respectfully submit the following plan. The Southern California Stabling & Vanning committee will be submitting a request for CHRB approval for an ADW deduction starting with the Santa Anita Classic meeting as required by 19604(f)(5)(E) for a upcoming scheduled public board meeting.

WN;jjh, bt

Southern California Stabling & Vanning Fund			
Operational Plan for 2024			
Funding:			
Generation from Brick & Mortar and CA ADW			10,572,193
Expenses:			
Stabling:			
	Santa Anita	2,366,000	
	San Luis Rey Training Center	3,268,500	
	Los Alamitos	<u>3,851,820</u>	
	Total Stabling	9,486,320	
	Vanning	850,000	
	Misc (Audit, Admin, Legal)	75,000	
	Total Expenses		10,411,320
	Net for 2024		160,873
	Projected balance 12/31/2023		(125,239)
	Projected balance 12/31/2024		35,635

Agenda Item 4

STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST TO MODIFY THE DISTRIBUTION OF MARKET ACCESS FEES FROM ADVANCED DEPOSIT WAGERING FOR WAGERING CONDUCTED BY THOROUGHBRED ASSOCIATIONS AND RACING FAIRS IN THE CENTRAL AND SOUTHERN ZONES TO INCLUDE A DISTRIBUTION TO THE SOUTHERN CALIFORNIA STABLING AND VANNING FUND, AND TO ADJUST THE AMOUNT DISTRIBUTED TO THAT FUND FROM BRICK AND MORTAR WAGERING TO THE SAME PERCENTAGE AS FOR ADW FOR 2024.

Regular Board Meeting

December 14, 2023

ISSUE:

In 2023, the brick and mortar distribution percentages for the Southern California Stabling and Vanning Fund was 1.02%. At the December 2022 regular California Horse Racing Board (Board) meeting, the Board approved for the distributions to the Stabling and Vanning Fund that utilize the same percentages of handle from both brick and mortar and California simulcast for Advance Deposit Wagering (ADW) handle to be 1.02% which was a decrease from 1.2% the prior year.

ANALYSIS:

At the January 24, 2019 Regular Board meeting, the Board retroactively approved an agreement between the TOC, Del Mar Thoroughbred Club, Fairplex, Los Alamitos, Santa Anita, and the California Thoroughbred Breeders Association, to modify the ADW market access fees distribution by 0.50 percent on races hosted by Central and Southern Zones, thoroughbred associations and fairs for the period of January 1, 2019 through December 31, 2019. The parties stated that the funds generated would be used to offset stabling and vanning expenses incurred by the Fund, which is administered by the Southern California Off-Track Stabling and Vanning Committee.

This request reflects how Stabling and Vanning will be funded for the next calendar year. California statute requires that 2% of monies coming from off-track wagering be allocated to Stabling and Vanning to cover the needed funds, however the original legislative proposal envisioned that the 2% would be sufficient to fund stabling and vanning and it has fallen short over years past. With the decline in wagering over the last decade, the statute proposed 2% has not been sufficient in meeting the required funds for several years. As a result, a voluntary process of supplementing the Stabling and Vanning Fund every year with a percentage of ADW handle has been requested. Pursuant to Business and Professions Code section 19604(f)(5)(E), a track can use ADW money for an agreed upon purpose if it is approved by the CHRB.

BACKGROUND:

Business and Professions Code (BPC) [section 19604\(f\)\(5\)\(E\)](#) provides that notwithstanding

any provision of this section to the contrary, the distribution of market access fees pursuant to this subparagraph may be altered upon the approval of the Board, in accordance with an agreement signed by all parties whose distribution would be affected.

RECOMMENDATION:

Staff recommends the Board hear from the TOC and racing associations.


Southern California Stabling and Vanning Funding Agreement

This Agreement is entered into as of this 1st day of December 2023 by and between the undersigned racing associations (“the Signatory Racing Associations”) the Thoroughbred Owners of California (“TOC”) and the California Thoroughbred Breeders Association (“CTBA”).


IT IS HEREBY AGREED AS FOLLOWS:

1. The distribution of Market Access fees from Advanced Deposit Wagering, (“ADW”) placed on all live and imported races hosted by the Signatory Racing Associations shall be altered by the creation of an additional deduction for a distribution therefrom based upon 1.15% of handle in the Central and Southern Zones that would otherwise be payable as thoroughbred purses and commissions, and such deduction from ADW in the Central and Southern Zones shall be payable to the Fund administered by Southern California Stabling and Vanning Committee.
2. The parties shall immediately file this Agreement with the CHRB for the purposes of securing its approval of the deduction contemplated from market access fees placed on races hosted by the Signatory Racing Associations.
3. Subject to the requisite approval of the CHRB, the deduction from ADW set forth in #1 above shall be effective January 1, 2024 through December 31, 2024.
4. Notwithstanding the distributions from the ADW Deduction set forth hereinabove, the distribution to the Incentive fund administered by the CTBA shall be calculated at the rate of 0.463% of ADW handle in California on races hosted by the Signatory Racing Associations.
5. The Signatory Racing Associations and TOC agree to jointly continue to work toward improving the productivity and efficiency of auxiliary stabling in the Central and Southern zones.

Thoroughbred Owners of California

DocuSigned by:

 By: _____
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 William A. Nader

Los Alamitos Racing Association


DocuSigned by:

 By: _____
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 Jack Liebaw

Del Mar Thoroughbred Club


DocuSigned by:

 By: _____
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 Josh Rubinstein

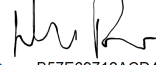
Los Angeles Turf Club

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 By: _____
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 Nate Newby

Los Angeles County Fair

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 Jack Liebaw

California Thoroughbred Breeders Association

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 Doug Burge

Agenda Item 5

STAFF ANALYSIS DISCUSSION AND ACTION BY THE BOARD REGARDING ENTERING INTO A VOLUNTARY IMPLEMENTATION AGREEMENT WITH THE HORSERACING INTEGRITY AND SAFETY AUTHORITY, INC (HISA) AND THE HORSERACING INTEGRITY AND WELFARE UNIT (HIWU).

Regular Board Meeting
December 14, 2023

ISSUE:

The Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051, et seq.) (“the Act” of “HISA”) goes into effect on July 1, 2022. More specifically, Federal Trade Commission Rules governing racetrack safety and accreditation become effective on that date, superseding California statutes and regulations in these areas. To implement these federal regulations in a more efficient and effective manner, the Act permits the Horseracing Safety and Integrity Authority (Authority) to enter into agreements with state racing commissions “for services consistent with the enforcement of the racetrack safety program.” (See 15 U.S.C. § 3054(e)(2)(A)(i)). The attached draft Voluntary Implementation Agreement (Agreement) was provided to state racing commissions by the Authority in late-March with a request that the Agreement be executed “well prior to the July 1 effective date of the racetrack safety rules.”

ANALYSIS:

HISA does not require state racing commissions to enter into Voluntary Implementation Agreements with the Authority. However, any state racing commission that chooses not to do so will have its responsibilities shifted to personnel appointed by the Authority. Duties no longer under the control of the Board would include appointing an Equine Medical Director (now referred to as “Safety Director”); appointing a Regulatory Veterinarian of the State; enforcing safety regulations; and adjudicating enforcement violations.

The initial Voluntary Implementation Agreement attached to the March 25th HISA letter was amended in May to include an indemnification clause, as well as flexibility to identify the state law that will govern the Agreement. The Agreement becomes effective July 1, 2022 and will terminate upon the effective date of the Authority’s Anti-Doping and Medication Protocol. The Authority has expressed its intention to have the Anti-Doping Medication Protocol operative in early 2023, so the Agreement under consideration may be in effect anywhere from 6-12 months.

As to the Board’s ability to enter into an Agreement with the Authority, Business and Professions Code (BPC) [section 19440](#) provides, in part, that the Board has all powers necessary and proper for the “[a]dministration and enforcement of all laws, rules, and regulations affecting horse racing and parimutuel wagering.” CHRB staff is working to secure additional statutory authority that will affirm the Board’s ability to enter into contracts to enforce HISA and ensure the Board’s employees and contractors may provide all services contracted for under the Agreement.

Finally, CHRB staff is working with the Authority to secure any needed amendments to the revised draft Agreement, including both budget appropriation and statutory authority contingency clauses.

RECOMMENDATION:

This item is presented for Board discussion and action. Should the Board elect to enter into a Voluntary Implementation Agreement with the Authority, staff request that the board authorize the Executive Director to 1) enter into the Agreement after securing any amendments needed to protect the interest of the CHRB and 2) appoint appropriate individual(s) to the required roles specified as needed for the duration of the Agreement.

To: State Racing Commission Executive Directors
From: Tom DiPasquale
Re: Voluntary Implementation Agreement
Date: March 25, 2022

Attached please find a Voluntary Implementation Agreement between the Horseracing Safety and Integrity Authority (“HISA”) and your state racing commission.

As you know, the federal act permits HISA and state commissions to enter into agreements to implement the racetrack safety program. The Federal Trade Commission (FTC) 2000 series rules (also attached), which take effect on July 1, 2022 and govern racetrack safety and accreditation, provide that with respect to certain rules the state commission may choose to work with HISA to oversee implementation. If the state commission chooses not to do so, then these responsibilities would shift to personnel appointed by HISA.

We believe that by working together as described in the Voluntary Implementation Agreement, we can accomplish critical, federally-mandated safety oversight and enforcement in a manner that is:

- Efficient – saves time and money by utilizing existing state resources.
- Effective – engages the local knowledge and experience of the state’s regulatory personnel.
- Comprehensive – facilitates stakeholder compliance with a wide variety of FTC requirements that will affect all racing participants effective July 1, 2022.
- Uniform – assures a consistent level of education, oversight and enforcement nationwide.
- Credible – demonstrates to a skeptical public audience that the industry as a whole, including state regulators, is committed to the safety and welfare of horse and rider.

We will follow up with a call to you in the next few days. This Agreement must be executed well prior to the July 1 effective date of the racetrack safety rules.

HISA will also host a meeting to answer your questions or discuss issues specific to your state at the upcoming Association of Racing Commissioners International meeting in Lexington, Kentucky. The meeting will take place at the host hotel in a HISA conference room on Monday, April 11 from 10:00 to 11:30 a.m.

We look forward to building a strong alliance between federal and state regulators to enhance racetrack safety for the industry.

VOLUNTARY IMPLEMENTATION AGREEMENT

THIS VOLUNTARY IMPLEMENTATION AGREEMENT (this “Agreement”) is entered into as of ___ day of _____ 2022 , with an effective date of July 1, 2022 (the “Effective Date”), by and between the Horseracing Integrity and Safety Authority, Inc. a Delaware nonprofit corporation whose mailing address is 401 West Main Street, Unit 222, Lexington, Kentucky 40507 (the “Authority”), and the [redacted] Commission, an agency of state government whose mailing address is [redacted] (the “Commission”). As used herein, the “Parties” shall mean the Authority and the Commission, collectively; and a “Party” shall mean either the Authority or the Commission individually.

WHEREAS the Authority is a private, independent, self-regulatory, nonprofit corporation that was recognized for the purpose of developing and implementing a horseracing anti-doping and medication control program and a racetrack safety program for covered horses, covered persons, and covered horseraces by the Horseracing Integrity and Safety Act of 2020 (the “Act”);

WHEREAS the Commission is the independent agency of state government vested with jurisdiction to regulate the conduct of horse racing and pari-mutuel wagering on horse racing and related activities within the state of [redacted] (the “State”);

WHEREAS 15 USC § 3054(e)(2) of the Act permits the Authority to enter into agreements with State racing commissions for services consistent with the enforcement of the racetrack safety program; and

WHEREAS the Authority has determined that the Commission has the ability to implement certain areas of the racing safety program in accordance with the rules, standards, and requirements established by the Authority.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration, the sufficiency of which is acknowledged, the Parties agree as follows:

1. Medical Director OR Intentionally Omitted¹. The [redacted] Commission/Executive Director of the Commission names and appoints _____ as Medical Director of the State (the “Medical Director”). The Parties agree that the Medical Director shall carry out the duties and responsibilities of the Medical Director set forth in the Racetrack Safety Program, including but not limited to, the duties and responsibilities set forth in Rule 2132 of the Racetrack Safety Program. Any person named to replace the individual named as Medical Director herein shall possess the qualifications set forth in Rule 2132(a) Racetrack Safety Program.

¹ The Medical Director position is optional for the Commission to furnish. If the Commission does not elect to name and appoint a qualified individual, then the applicable jurisdiction can utilize the Authority’s Medical Director program.

2. Safety Director. The **Commission/Executive Director of the Commission** names and appoints _____ as Safety Director of the State (the “Safety Director”). The Parties agree that the Safety Director shall carry out the duties and responsibilities of the Safety Director set forth in the Racetrack Safety Program, including but not limited to, the duties and responsibilities set forth in Rule 2131 of the Racetrack Safety Program. Any person named to replace the individual named as Safety Director herein shall possess the necessary qualifications to perform the duties and responsibilities set forth in Rule 2131 of the Racetrack Safety Program.

3. Stewards. The **Commission/Executive Director of the Commission** agrees that the stewards [**tailor to specific jurisdictions**] shall enforce the safety regulations set forth in the Rule 2200 Series of the Racetrack Safety Program. The Commission further agrees that the stewards shall also serve in the adjudicatory capacities set forth in the Rule 8000 Series (the Enforcement Rules).

4. Regulatory Veterinarian. The **Commission/Executive Director of the Commission** names and appoints _____ as Regulatory Veterinarian of the State (the “Regulatory Veterinarian”). The Parties agree that the Regulatory Veterinarian shall carry out the duties and responsibilities of the Regulatory Veterinarian set forth in the Racetrack Safety Program, including but not limited to, the duties and responsibilities set forth in Rule 2135 of the Racetrack Safety Program. Any person named to replace the individual named as Regulatory Veterinarian herein shall possess the qualifications set forth in Rule 2134(a) Racetrack Safety Program.

5. Emergency Warning Systems. The Commission agrees to inspect and approve the racetrack emergency warning systems in use on all racing and training tracks at each racetrack under the jurisdiction of the Commission, as set forth in Rule 2153 of the Racetrack Safety Program. The Commission further agrees to provide the Authority with periodic reports concerning the racetrack emergency warning systems on forms prescribed by the Authority.

6. Trainers Test. The Commission agrees to require the use of the Authority’s uniform National Trainers Test, as set forth in Rule 2181. Upon request by the Authority, the Commission shall provide documentation of satisfactory completion of the test for individual licensees.

7. Training Opportunities. The Commission agrees to identify existing, or provide locally, training opportunities for all Racetrack employees having roles in Racetrack safety or direct contact with Covered Horses, as set forth in Rule 2182 of the Racetrack Safety Program. The Commission further agrees that the Authority may request and review information pertaining to the training opportunities available to racetrack employees as specified in Rule 2182 of the Racetrack Safety Program.

8. Testing Program. The Commission agrees to maintain a testing program for drugs and alcohol for Jockeys, as set forth in Rule 2191 of the Racetrack Safety Program. The Commission further agrees to submit the protocol for the testing program to the Authority. Upon request by the Authority, the Commission shall share with the Authority information pertaining to positive tests of individual Jockeys and shall make periodic reports concerning the testing program as directed by and on forms prescribed by the Authority.

9. Concussion Management. The Commission agrees to implement a concussion management program for Jockeys, as set forth in Rule 2192 of the Racetrack Safety Program. The Commission further agrees to submit the protocol for the concussion management program to the Authority.

10. Scope of Work. The scope of work and reporting obligations under this Agreement are those set forth in the Rule 2000 Series, "Racetrack Safety and Accreditation." The Commission agrees to provide performance metrics in reasonable detail and at reasonable intervals on forms to be prescribed by the Authority.

11. Indemnification. The Authority expressly agrees to indemnify and hold harmless the Commission and its agents or employees from and against any and all claims, loss, damages, injury, liability and costs, including but not limited to reasonable attorneys' fees and court costs, resulting from, arising out of, or in any way connected with the Scope of Work as defined in the previous Section of this Agreement. Any enforcement actions related to the Scope of Work will be the responsibility of and will be defended by the Authority. Any appeals or challenges to actions taken by Commission agents or employees when enforcing the Act or federal rules or regulations promulgated pursuant to the Act will proceed pursuant to the enforcement rules of the Act and will be defended by the Authority. Notwithstanding anything set forth in this Agreement to the contrary, this Agreement shall not be construed to waive any immunity under applicable state law, including but not limited to sovereign immunity, possessed by the Commission and its agents or employees.

12. Term and Termination.

(a) This Agreement shall be effective (the "Effective Date") on the first business day following the full execution of this Agreement by the Parties, or if further approvals are required under applicable state law, the later to occur of: (i) the approval of this Agreement by the Commission, and (ii) the approval of any other state agency, commission, board or authority for which approval is required under state law. If the Effective Date does not occur on or before July 1, 2022, this Agreement shall terminate and be of no force or effect. If the Effective Date does occur on or before July 1, 2022, the agreement shall terminate upon the effective date of the Authority's Anti-Doping and Medication Protocol.

(b) This Agreement may be terminated by either Party upon one hundred twenty (120) days written notice.

(c) If either Party defaults in a material obligation under this Agreement and continues in default for a period of 30 days after written notice of default is given to it by the other Party, the other Party may terminate and cancel this Agreement, immediately upon written notice of termination given to the defaulting Party.

132. Notices. All notices required to be provided hereunder shall be in writing and shall be deemed delivered if (a) sent by facsimile, upon confirmation of faxing, (b) if sent by overnight courier, by the date after mailing, (c) if by hand delivery, upon actual receipt or (d) if by certified mail, return receipt requested and postage prepaid, on the third business day after deposit in the mails, to the addressee set forth below (with a copy emailed to the email addresses set forth below) or at such other location as such Party notifies the other pursuant to this provision.

If to the Authority:

401 West Main Street, Unit 222
Lexington, Kentucky 40507
Attention: Lisa Lazarus
lisa.lazarus@hisaus.org

with a copy to:

Ransdell Roach & Royse PLLC
176 Pasadena Drive, Building One
Lexington, Kentucky 40502
Attention: John C. Roach
john@rrrfirm.com

If to Commission:

Attention: _____

with a copy to:

Attention: _____

143. Severability. If any part of this Agreement is determined to be invalid or illegal by any court or agency of competent jurisdiction, then that part shall be limited or curtailed to the extent necessary to make such provision valid, and all other remaining terms of this Agreement shall remain in full force and effect.

154. Amendment and Waiver. This Agreement may be modified or amended only in a writing signed by both Parties. A Party's failure to act hereunder shall not indicate a waiver of its rights hereto. No waiver of any provision of this Agreement shall be valid unless made in writing and signed by the waiving Party. The failure of either Party to require the performance of any term or obligation of this Agreement or the waiver by either Party of any breach of this Agreement shall not prevent any subsequent enforcement of such term and shall not be deemed a waiver of any subsequent breach.

165. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Any signature page delivered by facsimile, telecopy machine, portable document format (.pdf) or email shall be binding to the same extent as an original

176. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, between the Parties with respect to the subject matter hereof.

187. Headings; Interpretation. The headings in this Agreement have been included solely for ease of reference and shall not be considered in the interpretation or construction of this Agreement. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, as appropriate.

198. Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the state of _____ ~~Kentucky~~, without regard to its conflicts of laws principles.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Services Agreement as of date first written above.

HORSERACING INTEGRITY AND SAFETY AUTHORITY, INC.

By: _____
Name: _____
Title: _____



By: _____
Name: _____
Title: _____

Agenda Item 6

STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO OPERATE A MINISATELLITE WAGERING FACILITY AT THI 68 INC. DBA NEW OC TAVERN, SAN CLEMENTE, CALIFORNIA

Board Meeting
December 14, 2023

Application: New OC Tavern, San Clemente, California

Licensing Period: 12/14/2023-12/13/2028

Required Information	Status	Comments	CHRB Rule/Law
Additional Satellite Wagering Facilities Within 20-mile Radius	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	Southern California Off Track Wagering Incorporated (SCOTWINC) has stated that there is no racetrack, satellite wagering facility, or tribal casino that has a satellite wagering facility located within a 20-mile radius of the applicant.	BPC 19605 & 19605.25 (a)(1)
Association Agreements	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	<ul style="list-style-type: none"> • California Authority of Racing Fairs (CARF) • Del Mar Thoroughbred Club • Los Angeles County Fair Association • Los Alamitos Quarter Horse Racing Association • Los Alamitos Racing Association • Los Angeles Turf Club • Pacific Racing Association • Sonoma County Fair • WatchandWager.com, LLC 	BPC 19605.3
Simulcast Organization Agreement	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	SCOTWINC	BPC 19605.25 & 19605.3
Fire Clearance	<input checked="" type="checkbox"/> Accepted <input checked="" type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	Fire clearance inspection completed 12/05/2023. Pending report.	Rule 2066
Facility Inspection	<input checked="" type="checkbox"/> Accepted <input checked="" type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	Inspection completed 12/02/2023. Pending report.	Rule 2066

Workers' Compensation Insurance	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	Amtrust North America – Technology Ins Co. — effective 11/25 - 11/25/24.	Rule 2066
Emergency and Security	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	See pages 38-44	Rule 2066
Administrative Review	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Follow Up Required <input type="checkbox"/> Outstanding	Secretary of State Filing Current Financial Statements Reviewed Active Licenses Verified \$500 Fee Received Required Signatures Obtained	Rule 2066 Rule 2066 Rule 1481 Rule 2066 Rule 2066

RECOMMENDATION: Staff recommends approval. The application as submitted satisfactorily meets all requirements for licensure.

Application is hereby made to the California Horse Racing Board (CHRB/Board) for a license to operate a minisatellite wagering facility in connection with a horse racing meeting and/or pari-mutuel wagering in accordance with the Business and Professions Code, Chapter 4, Division 8 (Horse Racing Law) and the California Code of Regulations, Title 4, Division 4 (Rules and Regulations of the California Horse Racing Board).

Part I: To be completed by applicant seeking to operate a minisatellite wagering facility pursuant to Business and Professions Code section 19605.25.

Part II: To be completed by associations that have reached agreements with the applicant to conduct minisatellite wagering.

Part III: To be completed by simulcast organization that has reached an agreement to provide services necessary for the conduct of minisatellite wagering pursuant to Business and Professions Code sections 19605.25 and 19605.3.

**PART I
 MINISATELLITE WAGERING APPLICANT INFORMATION**

APPLICANT INFORMATION		
Name of applicant: New OC Tavern The applicant is: <input type="checkbox"/> Racing Association <input type="checkbox"/> Fair <input type="checkbox"/> Federally Recognized Indian Tribe	<input type="checkbox"/> Card Room/Gambling Establishment <input checked="" type="checkbox"/> Restaurant/Bar <input type="checkbox"/> Other Business Entity	
Facility street address: 2369 South El Camino Real		
Mailing address (if different from above):		
E-mail address: ongbahyah@yahoo.com		
City: San Clemente	State: CA	Zip Code: 92672
Phone: (949) 212-0688	Fax: n/a	Website: www.octavern.com
County: Orange	Zone Location: North <input type="checkbox"/> South <input type="checkbox"/> Central <input type="checkbox"/> (To be completed by CHRB staff)	

CONTACT PERSON <small>(Authorized Representative)</small>		
Name and title of the contact person: Kevin Thi		
Business street address: 2369 South El Camino Real		
Mailing address (if different from above):		
City: San Clemente County: Orange	State: CA	Zip Code: 92672
Phone: (949) 212-0688	E-mail: ongbahyah@yahoo.com	Fax: n/a

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-228 (Rev. 04/22)

Dates during which the applicant proposes to operate as a minisatellite wagering facility:
From December 14, 2023 to December 13, 2028

NOTICE TO APPLICANT: If approved for license, the term of license shall not exceed five years pursuant to Business and Professions Code section 19605.25(h).

Have you previously operated a licensed gaming operation in California or another state? Yes No.X

Do you currently operate a licensed gaming operation in California or another state? Yes No.X

If yes to either question above, provide the following:

Valid licensure period: Begin Date: _____ End Date: _____

Facility name and address: _____

City: _____	State: _____	Zip Code: _____
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County: _____

Zone Location:
 North South Central
 (To be completed by CHRB staff)

Have you had a gaming operation license that has been revoked or suspended? Yes No.X

If yes, provide the following if different from above:

Facility name and address: _____

City: _____	State: _____	Zip Code: _____
-------------	--------------	-----------------

Racing Jurisdiction: _____

BUSINESS STRUCTURE

<input type="checkbox"/> Corporation <input type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Sub-S <input checked="" type="checkbox"/> Sub-C <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Partnership & Joint Venture <input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other If you have listed your company as Other, please identify your company structure.
--	--	---

Registered Business Name **THI 68, Inc.**

Fictitious Business Name: **New OC Tavern**

Address:
2369 South El Camino Real, San Clemente CA 92672

E-mail Address: **ongbahyah@yahoo.com**

City: San Clemente	State: CA	Zip Code: 92672
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Phone: (949) 212-0688	Fax: n/a
------------------------------	-----------------

State where registered or Articles of Organization are filed: CA	Registry or File number: 5959965
---	---

Names of all officers, directors, and managers. For officers, directors, and managers that have no ownership, enter "0%" in the ownership column. For members of a Limited Liability Company, list membership interest in ownership column. For partners, following the individual's name, indicate whether general or limited partner. (true names)

Entity/Individual Name and Title	Entity's Business Address/ Individual's Address of Record	Ownership% (if any)	Compensation Agreement
Kevin Thi	President	100%	

Are shares listed for public trade?
 Yes No X

If yes, on which stock exchange?

If more than 50 percent of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity. **All entities that own 5 percent or more must fulfill the instructions for Full Disclosure Statement. Additionally, all officers, directors, or partners or any individual or person who holds 5% or more of the outstanding shares of a minisatellite wagering facility must obtain a CHRB occupational license, pursuant to CHRB Rule 1481(b)(2).**

Attach the most recent annual financial statement for the applicant, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

MANAGEMENT AND STAFF
 (Minisatellite Wagering Facility)

Names and titles of the managing officers and/or general managers of the business. **Note: All individuals who exercise control over other licensees, horse racing, pari-mutuel wagering, or simulcast operations, or whose duties routinely require access to restricted areas of the inclosure, must obtain a CHRB occupational license, pursuant to CHRB Rule 1481(b)(6).**

Name	Title
Kevin Thi	President

ASSOCIATION CONTRACT/AGREEMENT

Names of racing associations with which you intend to have a contract or agreement:
See list of California host associations, attached.

Addresses of racing associations:

Racing association phone numbers:

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-228 (Rev. 04/22)

Proposed contract dates: From: **12/14/2023** To: **12/13/2028** (inclusive).

Part 1 - Minisatellite Wagering Applicant Form - OCTavern

Exhibit

<u>Associations With Contract/Agreement:</u>	<u>Phone / Fax</u>
CALIFORNIA AUTHORITY OF RACING FAIRS 1776 Tribute Rd., Suite 205 Sacramento, CA 95812	P: (916) 927-7223 F: (916) 263-3341
Del Mar Thoroughbred Club 2260 Jimmy Durante Bl. Del Mar, CA 92014	P: (858) 755-1141 F: (858) 794-1007
Los Alamitos Racing Assoc. (T) Los Alamitos Quarter Horse Racing Assoc. 4961 Katella Ave. Los Alamitos, CA 90720	P: (714) 820-2760 F: (714) 820-2813
Los Angeles County Fair c/o Los Alamitos Race Course 4961 Katella Ave. Los Alamitos, CA 90720	P: (714) 820-2760 F: (714) 820-2813
Los Angeles Turf Club 285 W Huntington Drive Arcadia, CA 91007	P: (626) 574-7223 F: (626) 821-1514
Pacific Racing Association 1100 Eastshore Highway Berkeley, CA 94710	P: (510) 559-7300 F: (510) 559-7464
Sonoma County Fair 1350 Bennet Valley Drive Santa Rosa, CA 95404	P: (707) 545-4200 F: (707) 545-9342
Watch & Wager, LLC 1600 Exposition Bl. Sacramento, CA 95815	P: (916) 263-3000 F: (916) 800-1395

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-228 (Rev. 04/22)

Attach a certified check payable to the Treasurer of the State of California in the amount of \$500 for the nonrefundable minisatellite application fee.

CHRB CERTIFICATION

Application filed on:

Fee received by:

Reviewed by:

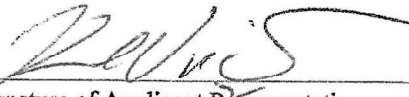
30-day Notice Letter:

Approved on:

License number issued:

CERTIFICATION BY APPLICANT

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

KEVIN A. THI	
Name	Signature of Applicant Representative
CHIEF EXECUTIVE OFFICER	
Title	Date
	11/03/23

PART II – OC Tavern

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

California Association of Racing Fairs

Telephone:

(916) 927-7223

Fax number:

(916) 263-3341

Racetrack name:

Ferndale, Fresno, Pleasanton, Sacramento

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Larry Swartzlander, Executive Director

Name

Larry Swartzlander

Signature of association representative



Title

Executive Director

Date:

10/30/23

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association.

Name and mailing address of association:

Los Angeles County Fair Association
1101 W. McKinley Avenue, Pomona CA 91768

Telephone:
(909) 865-4203

Fax: (909) 865-2481

Racetrack name:

Los Angeles County Fair, racing at Los Alamitos

Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Jack Liebau, Manager

Name:

Rick Baedeker, as authorized by:
Jack Liebau

Signature of association representative:



Title:

Manager

Date:

11/8/2023

PART II
OC Tavern

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association.

Name and mailing address of association:

Los Alamitos Quarter Horse Association

4961 Katella Avenue, Los Alamitos, CA 90720

Telephone:

(714) 820-2800

Fax:

Racetrack name:

Los Alamitos

Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Cathy Monji

Name:

Cathy Monji

Signature of association
representative:



Title:

President

Date:

October 30, 2023

PART II
OC Tavern

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association.

Name and mailing address of association:

Los Alamitos Racing Association

Telephone:

(714) 820-2800

Fax: n/a

Racetrack name:

Los Alamitos


Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

F. Jack Liebau, Vice President

Name: Rick Baedeker, as authorized by:

F. Jack Liebau

Signature of association representative:



Title:

Vice President

Date:

11/08/2023

PART II
OC Tavern

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association.

Name and mailing address of association:

Los Angeles Turf Club, Inc.

Telephone:

(626) 574-7223

Fax: (626) 821-1514

Racetrack name:

Santa Anita Park

Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Nate Newby, General Manager

Name:

Eric Sindler

Signature of association representative:



Title:

Assistant Secretary

Date:

10/30/2023

PART II
OC Tavern

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association.

Name and mailing address of association:

Pacific Racing Association

1100 Eastshore Highway, Albany CA 94706

Telephone:

(510) 559-7300

Fax: (510) 559-7465

Racetrack name:

Golden Gate Fields

Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Eric Sindler, Assistant Secretary

Name:

Eric Sindler

Signature of association representative:



Title:

Assistant Secretary

Date:

10/30/2023

PART II – OC Tavern

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

Del Mar Thoroughbred Club
2260 Jimmy Durante Blvd, Del Mar, CA 92014

Telephone:

(858) 755-1141

Fax number:

(858) 794-1007

Racetrack name:

Del Mar

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name	Signature of association representative
Josh Rubinstein	
Title	Date:
CEO	10/30/23

Josh Rubinstein

Signature of association representative



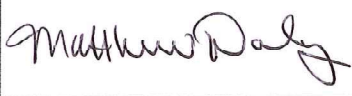
Title

CEO

Date:

10/30/23

PART II
OCTavern

CONTRACTED ASSOCIATION INFORMATION	
One copy of Part II shall be completed by each contracted association.	
Name and mailing address of association: Sonoma County Fair & Exposition, Inc. 1350 Bennett Valley Road, Santa Rosa, CA 95404	
Telephone: (707) 545-4200	Fax: (707) 573-9342
Racetrack name: Santa Rosa Racetrack – Sonoma County Fair	
Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility: Rebecca Bartling, CEO ; Matthew Daly, COO	
Name: <u>Rebecca Bartling</u> Matthew Daly	Signature of association representative: 
Title: CEO COO	Date: 12/01/2023

PART II

OC Tavern

CONTRACTED ASSOCIATION INFORMATION	
One copy of Part II shall be completed by each contracted association.	
Name and mailing address of association: Watch&Wager.com, LLC 20 California Street, 7 th Floor, San Francisco, CA 94111	
Telephone: (916) 800-1390	Fax: (916) 800-1395
Racetrack name: Cal Expo Harness – California State Fair & Exposition	
Names and titles of the persons authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility: Ben Kenney, CFO	
Name: Ben Kenney	Signature of association representative: 
Title: CFO	Date: 10-31-23

**PART III
 SIMULCAST ORGANIZATION INFORMATION**

To be completed by approved simulcast organization that has executed an agreement approved by the CHRB with the association conducting a racing meeting with the minisatellite wagering facility pursuant to Business and Professions Code sections 19605.25 and 19605.3.

I. OPERATION OF THE MINISATELLITE WAGERING FACILITY

Simulcast organization engaged by the association to conduct simulcast wagering: **SCOTWinc.**

Attach the agreement between the association and simulcast organization permitting the minisatellite wagering facility to use the association’s live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **Submitted.**

Submit a copy of each horsemen’s written approvals. **Submitted.**

Hours for operation of the facility: **Restaurant 10:30a – 10:30p daily except Saturday, 10:30a – 12a**

Hours for operation of the minisatellite wagering site: **8a – 12a or as required per racing program provided by CA host tracks.**

Time periods during the calendar year the facility **will not** be utilized as a minisatellite wagering facility (explain why): **None anticipated.**

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

Wagering will be offered on all cards offered by applicable CA host tracks.

List the host track from which the minisatellite wagering facility proposes to import out-of-state and/or out-of-country races. Include the dates imported races will be held, and indicate whether a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”. **Wagering will be offered on all out-of-state and/or out-of-country races offered for wagering by the CA host track.**

Estimated number of pari-mutuel terminals machines available: **17**

Attach a proposed staffing plan for the facility and/or minisatellite wagering site, to include the number of security personnel and the number of pari-mutuel clerks pursuant to Business and Professions Code section 19605.25(b). **The minisatellite will be staffed according to the needs of the property with at least one designated safety officer and one facility manager on duty during operating hours. One parimutuel clerk will be assigned by the host track parimutuel Director.**

II. SUPERVISION, SECURITY AND FIRE PREVENTION
 Changes to management personnel and minisatellite managers must be immediately reported to the Board.

Name of the individuals responsible for the day-to-day operation of the minisatellite facility:

Name and Title	CHRB License No. and Expiration Date
Kevin Thi	(pending)



California Harness Horsemen's Association

P.O. Box 254767
Sacramento, CA 95865
Phone (916) 263-7888
Fax (916) 263-7887

Ms. Amanda Drummond
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

November 1, 2023

Dear Ms. Amanda Drummond

This letter is to acknowledge the approval and support of the California Harness Horsemen's Association for the OC Tavern in San Clements California.

Sincerely,

Jimmy Perez
California Harness Horsemen's Association
Executive Director

CC: Amanda Drummond, CHRB
CC: Rick Baedeker, SCOTWinc



Pacific Coast Quarter Horse Racing Association

October 30, 2023

Ms. Amanda Drummond
California Horse Racing Board
1010 Hurley Way, Suite #300
Sacramento, CA 95825

RE: OC Tavern, Minisatellite Facility

Dear Ms. Drummond,

The Pacific Coast Quarter Horse Racing Association approves the licensing by the California Horse Racing Board of OC Tavern as a minisatellite.

Sincerely,

Dino Perez
Executive Director

cc: Rick Baedeker



October 30, 2023

Ms. Amanda Drummond
Policy, Regulations & Legislation Manager
California Horse Racing Board
1010 Hurley Way, Suite #300
Sacramento, CA 95825

RE: OC Tavern, Minisatellite Facility

Dear Ms. Drummond,

The Thoroughbred Owners of California approves the licensing by the California Horse Racing Board of OC Tavern as a minisatellite.

Sincerely,

A handwritten signature in black ink that reads 'William Q. Nader'.

Bill Nader
President & CEO

xc: Rick Baedeker, SCOTWINC General Manager

285 W. HUNTINGTON DR., ARCADIA, CA 91007 (626) 574-6620

PRESIDENT & CEO: BILL NADER

EXECUTIVE DIRECTOR: JORDYN EGAN

DIRECTOR OF RESEARCH & ANALYTICS: JOE HASSON

NORCAL DIRECTOR OF OPERATIONS: WAYNE ATWELL

SOCAL DIRECTOR OF OPERATIONS & MEMBER SERVICES: ELSA PERON

Attach a certificate of insurance for workers' compensation coverage, including carrier and the policy number securing the applicant's liability for payment of workers' compensation (if self-insured, provide details).

Attach a fire clearance from the fire authority having jurisdiction.

Attach a security plan that includes the name, title, and phone number of the person having responsibility for security controls, the number of security officers and/or guards, and the police or sheriff's department having jurisdiction for criminal law enforcement over the premises of the facility. **Responsible party is Kevin Thi, Manager, (949) 312-0688. One designated security person on most days; additional as needed on big event days. The Local Law Enforcement agency is Orange County Sheriff's Department.**

Is there a backup emergency plan for power failure? Yes No X

If yes, describe.

III. MINISATELLITE WAGERING SITE

Attach a detailed scale plan of the facility indicating all points of access to facility, emergency exits, placement of offices, and food and beverage service location and detailing the location of the proposed minisatellite wagering site. Identify how the designated minisatellite wagering area will be restricted to patrons 21 years and over. Attach photos of the minisatellite wagering site.

NOTICE TO APPLICANT. Pursuant to Business and Professions Code section 19605.25(a)(4) wagers placed at a minisatellite site must be in an area that is restricted to those who are 21 years of age or older.

IV. FACILITY DESCRIPTION

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

The seating capacity in the minisatellite wagering facility is: **75 within wagering area; 30 on patio**

The number of tables in the minisatellite wagering area is: **15 inside; 8 on patio**

Overall square footage in the minisatellite wagering area is: **900 sf inside; 400sf on patio.**

Attach a photograph of the minisatellite wagering area.

Describe occupancy restrictions, if any, imposed by the fire authority having jurisdiction. **169 inside; 50 on patio**

The total number of parking spaces available in the parking areas can accommodate (number of standard-sized automobiles): **38 in primary lot; 100 in nearby city parking lot.**

Describe any other activities to be scheduled on or near the facility premises that may have a negative impact on available parking. **None anticipated.**

V. EQUIPMENT PROVIDED BY THE MINISATELLITE WAGERING FACILITY

Describe the television equipment (satellite receivers, decoders, controls, monitors, etc.) to be utilized at the facility. **Multiple large screen TVs; projection TV; satellite receivers, decoders controls, monitors, etc., provided by Roberts Communications per SCOTWinc.**



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/28/2023

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

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

PRODUCER Lords Insurance Agency inc P.O. Box 4419 Huntington Beach, CA 92605	CONTACT NAME: Amy T. Le PHONE (A/C. No. Ext.): 858-414-1761 E-MAIL ADDRESS: thaole.lordsinsurance@gmail.com	FAX (A/C. No.): 714-382-0574
	INSURER(S) AFFORDING COVERAGE	
INSURED Thi 68 Inc. - dba: OC Tavern PO Box 3852 San Clemente, CA 92674	INSURER A: Amtrust North America - Technology Ins Co.	NAIC # 72251
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES **CERTIFICATE NUMBER: 1** **REVISION NUMBER:**

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

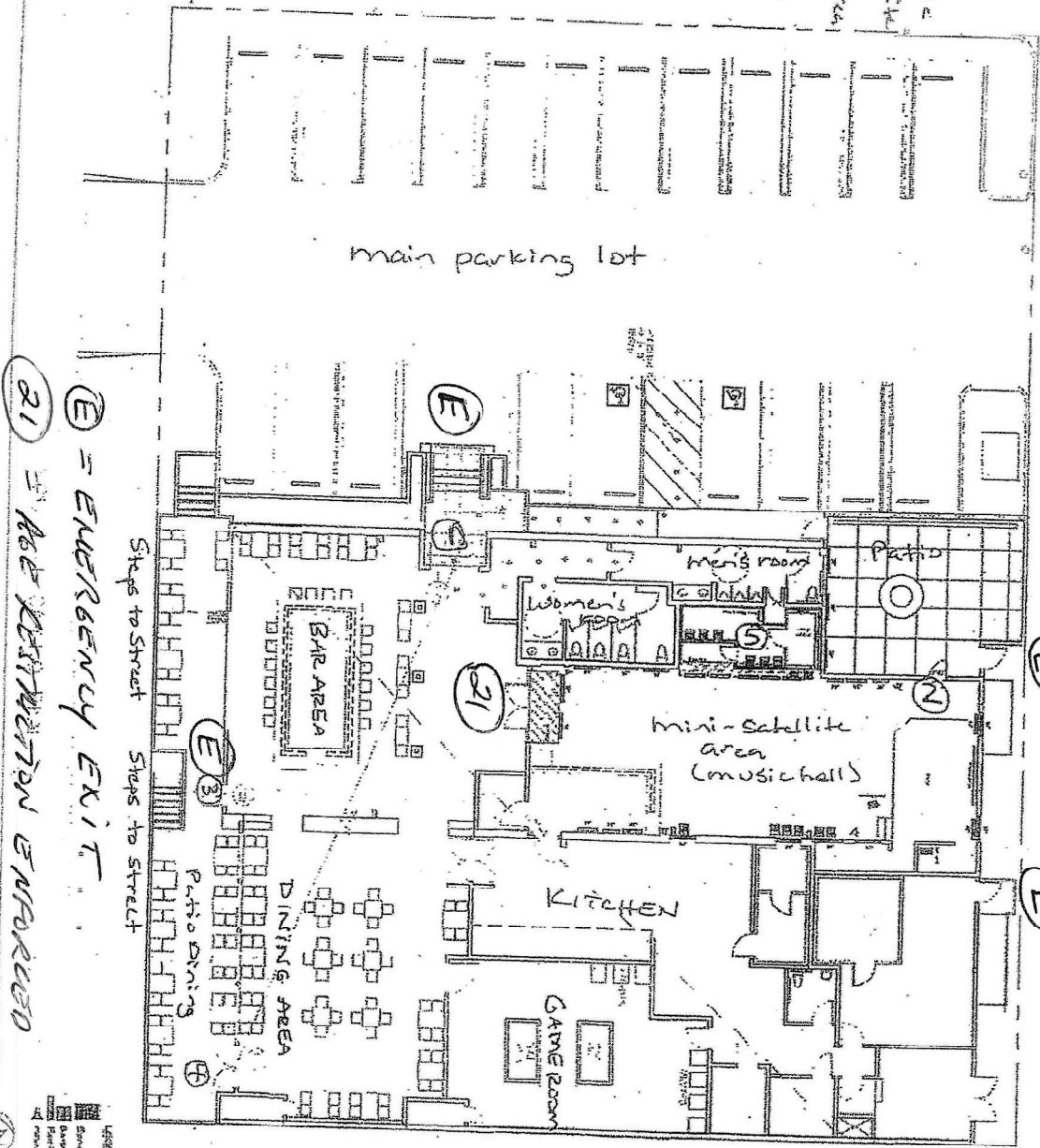
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
X	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			TWC4347104	11/25/23	11/25/24	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Thi 68 Inc.
dba: OC Tavern
2369-71 S El Camino Real
San Clemente, CA 92672

CERTIFICATE HOLDER	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Amy T. Le
---------------------------	--

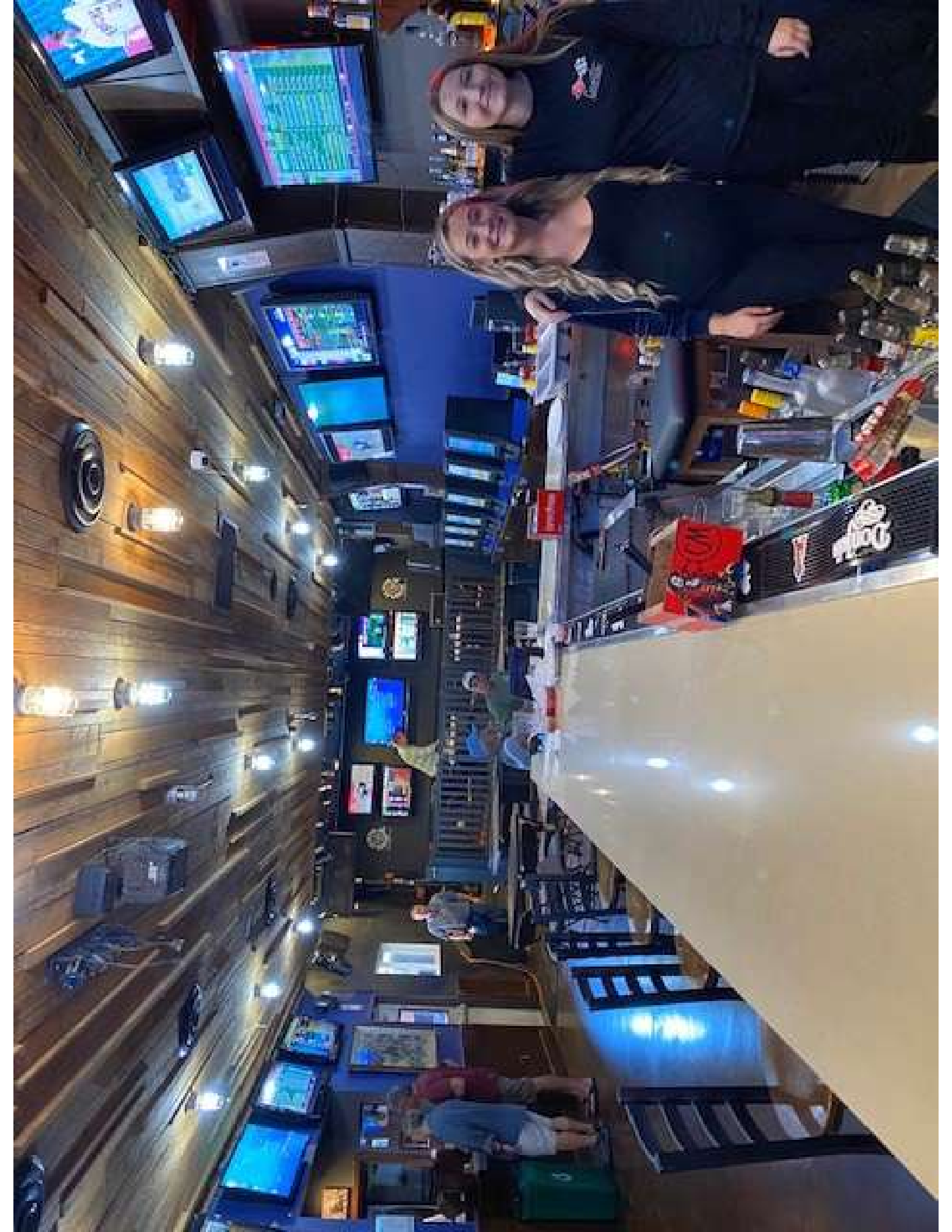
Main Entrance
 Exit from music
 hall mini-satellite
 Exit from Bar Area
 Exit from Dining
 Area
 Mutual Area

NEW
 OC TAVERN
 Back Parking Area



(E) = EMERGENCY EXIT
 (R1) = REST RESTRICTION ENFORCED

SCIENTIFIC GAMES OC TAVERN OC TAV, A14, Drawing 5 <small>Alpha Scale 14 x 17 1/2" = 1'-0"</small>		OC TAVERN 2360 SOUTH EL CAMINO REAL SAN CLEMENTE, CA 92674	Scale: 1/2" = 1'-0" Date: 11/11/00 Drawn: J. J. [unclear] Checked: [unclear]
--	--	---	---



Caroline Garcia
Alex M. Cruz
Crystal Canning
Michael Ybarra
Completed

13th TRIPLO FINAL: 1,200
\$ 1,500,000
HAYAH CANADO: SALT-OP: 1st T. 2 DISTANC



Describe the public address equipment (controls, microphones, speakers, etc.) to be utilized at the facility.
Microphone(s) and amplifiers in minisatellite wagering area.

VI. ADVERTISING AND PATRON DEVELOPMENT

Describe any advertising or promotional plans. **Local publication advertising; street banners; direct mail campaign through TOAST email marketing with targeted messages to repeat customers; customer loyalty program.**

Describe any improvements to the facility that will directly benefit minisatellite wagering.

Complete interior renovation of minisatellite wagering area, including new tables and televisions.

NOTICE TO APPLICANT: Pursuant to Board Rule 2066, all advertisement shall contain a statement that persons under 21 are not allowed to participate in minisatellite wagering. All advertisement shall contain contact information for a recognized problem-gambling support organization.

VII. ADMISSIONS, CHARGES AND SERVICE FEES

Complete if applicable and note N/A if not.

Admissions charges, if any, are:	None
Parking charges, if any, are:	None
Program charges, if any, are:	As determined by host track
Seating charges, if any, are:	None

VIII. RENEWAL

Complete this section only if renewing your license.

Is this a renewal application? Yes No

Have there been any changes since the submission of your last application for authorization to operate a minisatellite wagering facility? Yes No

Have any changes occurred affecting ownership or controlling interest in your business structure or establishment since your last application? Yes No

If you have answered "Yes" to any of the questions above, please attach a detailed statement describing the change.

How many years have you been an approved minisatellite wagering facility? **N/A**

AGREEMENTS

Attach copies of **all applicable county, city, or agency agreements** that may affect the minisatellite wagering facility.

NOTICES TO APPLICANT

Notice is given to the applicant that its application, if approved by the Board, authorizes the applicant to offer pari-mutuel wagering at its minisatellite wagering facility for a period of five years per Business and Professions Code section 19605.25(h).

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

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

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-228 (Rev. 04/22)

DECLARATIONS

All labor agreements, concession contracts, service contracts, horsemen's agreements, lease agreements, agreements with the simulcast organization(s) necessary to conduct and operate the simulcast wagering program at the facility, lease or rental agreement with the facility landlord and all applicable county, city or agency agreements that may affect the minisatellite wagering facility have been finalized except as follows (if there are no exceptions, so state):

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

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

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

CERTIFICATION BY APPLICANT

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

Print name of minisatellite facility applicant representative:

Date:

Kevin Thi

Signature of minisatellite facility representative:

Date:

Print name of association representative:

Date:

Josh Rubinstein

Signature of association representative:

Date: 11/2/23

Print name of simulcast organization representative:

Date:

Rick Baedeker

Signature of simulcast organization representative:

Date:

10/31/2013

STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD REGARDING CALIFORNIA THOROUGHBRED BREEDERS ASSOCIATION, REQUEST FOR AUTHORIZATION OF ITS UPCOMING HORSE SALE AT FAIRPLEX IN POMONA, CALIFORNIA, PURSUANT TO CHRB RULE 1807, AUTHORIZED HORSE SALES

Regular Board Meeting
December 14, 2023

ISSUE

Pursuant to Board Rule 1807, Authorized Horse Sales, California Thoroughbred Breeders Association request Board approval of its upcoming horse sale scheduled to begin January 26, 2024, through February 1, 2024, at Fairplex in Pomona, California.

BACKGROUND

Board Rule 1807, Authorized Horse Sales, provides that the Board may authorize a horse sale or horse auction sale for the sale of racehorses or breeding stock that is used in the production of racehorses, to be held on the premises of a racing association, and the authorization and approval of such horse sale or horse auction sale shall be upon such conditions as may be imposed by the Board.

RECOMMENDATION

This item is presented for Board discussion and action.



November 10, 2023

Scott Chaney, Executive Director
CHRB

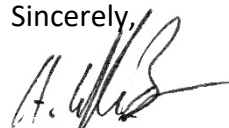
RE: Board Approval for CTBA Winter Mixed Sale

Mr. Chaney,

The CTBA will host its annual Winter Mixed Sale on January 30th, at Fairplex in Pomona. It is expected that there will be approximately 150 horses on the grounds for the sale beginning January 26th through February 1st. This sale includes mostly broodmares, racing age horses and some yearlings.

The CTBA has, and will continue to, implement all necessary safety protocols for this sale.

We appreciate your continued support of horse sales in the state.

Sincerely,

Doug Burge
President

Agenda Item 8

STAFF ANALYSIS DISCUSSION AND ACTION BY THE BOARD REGARDING THE DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF LOS ALAMITOS RACING ASSOCIATION, COMBINED 2022 RACE MEETINGS

Regular Board Meeting
December 14, 2023

ISSUE

Los Alamitos Racing Association (LARA) is requesting approval to distribute race day charity proceeds generated at two live race meetings for the period of September 16, 2022, through September 25, 2022, and from December 9, 2022, through December 18, 2022. From the net race day charity proceeds LARA is proposing a combined total distribution of \$3,375. The charitable organizations selected and amounts to be distributed are listed on the attachment. Staff notes that 100 percent of the proposed charity distributions are made to equine related charity organizations.

BACKGROUND

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

RECOMMENDATION

This item is presented for Board discussion and action.

CHRB ANALYSIS

Los Alamitos Racing Association, 2022 Combined Race Meetings Charity Day Proceeds
September 16, 2022 - September 25, 2022, and December 9, 2022 - December 18, 2022

#	Nonprofit Organization	Proposed Distribution Amounts	Proposed Disbursement Percentage	Percentage Required By Horse Racing Law (from the 2/10 of 1%)	Notes
1	Permanently Disabled Jockeys Fund	1,000.00	30%	minimum of 20%	d
2	CARMA	1,000.00	30%		a
3	California Thoroughbred Horsemen's Foundation	1,000.00	30%	minimum of 5%	b
4	Winners Foundation	375.00	11%	minimum of 5%	c
	Total Voluntary Distribution	3,375.00	100%		e
	Notes				
	a	30% to charities associated with the horse racing industry (B&P 19556(b))			
	b	5% to welfare fund (19556 (b)) described in subdivision (b) of Section 19641			
	c	5% to nonprofit organization to assist horsemen and backstretch			
	d	20% to nonprofit organization that benefits qualified disabled jockeys (B&P 19556 (c)(1))			
	e	overall a minimum of 60% of the charity distribution should go to horse racing industry related nonprofit organizations.			



4961 Katella Avenue, Los Alamitos, CA 90720

714-820-2800 • www.losalamitos.com

August 7, 2023

Ms. Scott Chaney
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Dear Mr. Chaney:

The statutory charitable contribution from our Los Alamitos Racing Association 2022 race meets was \$3,375. The meets were conducted from September 16, 2022 through September 25, 2022 and from December 9, 2022 through December 18, 2022. Accordingly, we respectfully request CHRB approval to make the following distributions:

Permanently Disabled Jockeys Fund	\$ 1,000
CARMA	1,000
California Thoroughbred Horsemen's Foundation	1,000
Winners Foundation	<u>375</u>
Total	<u>\$ 3,375</u>

The Permanently Disabled Jockey's Fund provides financial assistance to former jockeys who have suffered catastrophic on-track injuries. It works with industry and medical research groups to improve the safety of both the human and equine athlete.


The California Retirement Management Account ("CARMA") provides a range of services to former racehorses in need of rehabilitation toward retirement or placement in a new career.

The California Thoroughbred Horsemen's Foundation provides assistance to backstretch personnel occupied with the care of thoroughbred horses at California race tracks and authorized training facilities. The organization maintain several clinics throughout the state.

The Winners Foundation is a support and referral service for employees and family members of the industry whose lives are affected by alcohol, drugs, mental illness, and gambling related problems.

All proposed beneficiaries are industry related charities. I would be pleased to discuss any questions or comments the Board may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard M. English". The signature is written in a cursive, flowing style.

Richard M. English

c/c A. Drummond

CALIFORNIA HORSE RACING BOARD

December 14, 2023

REGULAR BOARD MEETING

There is no board package material for Item 9

CALIFORNIA HORSE RACING BOARD

December 14, 2023

REGULAR BOARD MEETING

There is no board package material for Item 10

CALIFORNIA HORSE RACING BOARD

December 14, 2023

REGULAR BOARD MEETING

There is no board package material for Item 11

CALIFORNIA HORSE RACING BOARD

December 14, 2023

REGULAR BOARD MEETING

There is no board package material for Item 12