

## STAFF ANALYSIS

### DISCUSSION AND ACTION BY THE BOARD ON WHETHER TO ELECT TO COLLECT AND REMIT FEES ON BEHALF OF THE HORSERACING INTEGRITY AND SAFETY AUTHORITY FOR CALENDAR YEAR 2026.

Regular Board Meeting  
October 16, 2025

#### ISSUE:

The California Horse Racing Board must annually “opt-in” to collecting and remitting fees on behalf of the Horseracing Safety and Integrity Authority (Authority). The assessments will cover California’s share of the horseracing anti-doping and medication control program and the racetrack safety program for calendar year 2026.

#### RULE:

##### **15 U.S. Code section 3052 (in part):**

##### **(C) Annual calculation of amounts required**

##### **(i) In general**

Not later than the date that is 90 days before the program effective date, and not later than November 1 each year thereafter, the Authority shall determine and provide to each State racing commission the estimated amount required from the State—

##### **HISA Rule 8520. Annual Calculation of Amounts Required (in part):**

(a) If a State racing commission elects to remit fees pursuant to 15 USC 3052(f)(2) for any calendar year, the State racing commission shall notify the Authority in writing on or before thirty (30) days from the receipt of the estimated amount provided to the State racing commission pursuant to Rule 8520(b) . . .

(b) Not later than November 1 of each year, the Authority shall determine and provide to each State racing commission the estimated amount required from each State pursuant to the calculation set forth in Rule 8520(c) . . .

##### **CA Bus. & Prof. Code section 19440.1 (in part):**

(a)(1) Notwithstanding any other law, the board may enter into agreements with the authority and any other private, state, or federal entity that is responsible for administering the federal Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051 et seq.) for the purpose of providing services consistent with the enforcement of the horseracing antidoping and medication control program and the racetrack safety program, as authorized by Section 3054(e)(2) of Title 15 of the United States Code.

. . .

(b) On behalf of the authority, the board may collect and remit fees assessed by the authority to fund California’s proportionate share of the authority’s horseracing antidoping and medication control program and racetrack safety program, as authorized by Section 3052(f) of

Title 15 of the United States Code. If the board elects to collect and remit fees on behalf of the authority, the board shall allocate, assess, and collect the fees assessed by the authority from those associations and fairs subject to the authority's jurisdiction in either of the following manners:

- (1) From the remaining market access fees addressed by paragraph (5) of subdivision (f) of Section 19604, pursuant to the process described in subparagraph (E) of that paragraph.
- (2) As part of the license fee established by Section 19616.51 using the methodology described in that section.

**BACKGROUND:**

The Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051, et seq.) ("the Act") establishes a funding mechanism whereby the Authority will determine and provide to each State racing commission the estimated amount required from the State to fund its proportionate share of the Act's programs and to liquidate the State's proportionate share of any loan or funding shortfall (15. U.S.C. 3052(f)(1)(C)). It is up to each State racing commission to decide whether it will elect to collect and remit these fees.

If a State racing commission does not elect to remit fees on behalf of the Authority, the Authority itself will be responsible for collecting fees from those covered under the Act and the state racing commission will be prevented from imposing or collecting from any person a fee or tax related to anti-doping and medication control or a racetrack safety matters for any covered horseraces. (15. U.S.C. 3052(f)(3)(D)).

**RECOMMENDATION:**

This item is presented for Board discussion and action on whether to "opt-in" to collecting and remitting fees on behalf of the Horseracing Safety and Integrity Authority for 2026.