

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 THE SIGNATORY RACING
ASSOCIATIONS FOR 2024 TO INCLUDE A DISTRIBUTION TO BE UTILIZED TO FUND A
CALIFORNIA CO-OP MARKETING PROGRAM

Regular Board Meeting
November 19, 2025

ISSUE:

The Thoroughbred Owners of California (TOC) and the signatory racing associations are seeking an approval of an agreement under Business and Professions Code (BPC) section 19604(f)(5)(E) for the period January 1, 2026 through December 31, 2026, which will continue the previously modified market access fee distributions for advance deposit wagering (ADW) wagers placed in the applicable zone on races hosted by the signatory host track. The Co-op Marketing Agreement allows the TOC and the track to continue programs that were previously supported by the California Marketing Committee (CMC). CMC is no longer operating as BPC section 19605.73 allowing its existence has expired.

ANALYSIS:

The TOC and the signatory racing associations wish to continue certain CMC programs following the January 1, 2019 sunset of BPC section 19605.73, which authorized the CMC and its programs.

The cost of these programs will be shared between the TOC and the signatory party on the Co-op Marketing Agreement. The share of costs attributed to the signatory track and is based upon a percentage of handle in the applicable California zones that would otherwise be payable as thoroughbred purses and track commissions.

BACKGROUND:

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 distributions would be affected.

RECOMMENDATION:

This item is presented for Board discussion and action. Staff recommends the Board hear from the Co-op Marketing Agreement representatives.

