

STAFF ANALYSIS  
DISCUSSION AND ACTION BY THE BOARD REGARDING A REQUEST TO AMEND THE  
PREVIOUSLY APPROVED MODIFIED DISTRIBUTIONS OF MARKET ACCESS FEES  
FROM ADVANCED DEPOSIT WAGERING CONDUCTED BY THROUGHbred  
ASSOCIATIONS AND RACING FAIRS IN THE CENTRAL AND SOUTHERN ZONES

Regular Board Meeting  
January 14, 2026

ISSUE: Parties before the board wish to enter into a new agreement for calendar year 2026 to specify when the alteration of market access fees will not apply to four previously approved agreements.

ANALYSIS:

Parties previously agreed to terms and gained board approval for four separate agreements, specifically, the NCOTWINC Agreement in June of 2025, and the S&V Agreement, SCOTWINC Agreement, and Co-Op Agreement in November of 2025. The parties now appear before the board seeking approval to establish that the alteration of market access fees does not apply to any racetrack whose blended takeout is less than 15% for any calendar month.

BACKGROUND:

Business and Professions Code 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 a Party representative.

This Agreement is entered into as of this 1st day of January 2026, by and between the undersigned racing associations and racing fairs (“the Signatory Racing Associations”), the Thoroughbred Owners of California (“TOC”), and the California Thoroughbred Breeders Association (“CTBA”).

### Recitals

A. The Signatory Racing Association and the TOC entered into the 2025 Northern California Expense Fund Agreement which was approved by the California Horse Racing Board (“CHRB”) during its June 2025, monthly meeting (the “NCOTWINC Agreement”).

B. The Signatory Racing Association, the TOC, and the CTBA entered into the 2026 Southern California Stabling and Vanning Funding Agreement which was approved by CHRB during its November 2025, monthly meeting (the “S&V Agreement”).

C. The Signatory Racing Association (other than the LA County Fair), the TOC, and the CTBA entered into the 2026 Expense Fund Agreement which was approved by CHRB during its November 2025, monthly meeting (the “SCOTWINC Agreement”).

D. Los Angeles Turf Club, Incorporated and the TOC entered into the Coop Marketing Funding Agreement, which was approved by CHRB during its November 2025, monthly meeting (the “Co-op Agreement”).

### Agreement

With reference to the foregoing Recitals, which are incorporated herein by reference, and in exchange for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Signatory Racing Associations, the TOC, and the CTBA (each a “Party”, and collectively, the “Parties”) hereby agree as follows:

1. The alteration of market access fees set forth in the NCOTWINC Agreement, the S&V Agreement, the SCOTWINC Agreement, and the Co-op Agreement shall not apply to any racetrack whose blended takeout is less than 15% for any calendar month. All separate pooled wagers (i.e., non-commingled), regardless of what racetrack they are placed on, shall constitute a single racetrack for purposes of this provision.

[Signatures follow]

The Parties have entered into this Agreement as of the date first written above.

Thoroughbred Owners of California

DocuSigned by:  
*William A. Nader*  
By: \_\_\_\_\_  
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William A. Nader

Los Alamitos Racing Association

DocuSigned by:  
*Cathy Allred*  
By: \_\_\_\_\_  
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Cathy Allred

Del Mar Thoroughbred Club

DocuSigned by:  
*Josh Rubinstein*  
By: \_\_\_\_\_  
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Josh Rubinstein

Los Angeles Turf Club, Incorporated

DocuSigned by:  
*Nate Newby*  
By: \_\_\_\_\_  
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Nate Newby

Los Angeles County Fair

DocuSigned by:  
*Cathy Allred*  
By: \_\_\_\_\_  
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Cathy Allred

California Thoroughbred Breeders Association

DocuSigned by:  
*Doug Burge*  
By: \_\_\_\_\_  
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Doug Burge