

51st Annual Report of the California Horse Racing Board

A Department of the Business,
Consumer Services and Housing Agency

A Summary of Fiscal Year 2020–21 Revenue and Calendar Year 2021 Racing in California California Horse Racing Board

Dr. Gregory Ferraro, Chair
Oscar Gonzales, Vice Chair
Dennis Alfieri, Member
Damascus Castellanos, Member
Brenda Washington Davis, Member
Wendy Mitchell, Member
Alex Solis, Member
Scott Chaney, Executive Director
Cynthia Alameda, Assistant Executive Director

This report covers the fiscal year (July 1, 2020, through June 30, 2021) for revenue purposes, including pari-mutuel handle, fines, taxes, license fees, and the distribution of funds, as well as the report of the Postmortem Program. This report covers the 2021 calendar year for reports on race meets and CHRB meetings, as well as a handle report for the racing year.

The CHRB general office is located at 1010 Hurley Way, Suite 300, Sacramento, CA 95825. Field offices are located at all operating racetracks. Annual report pdfs are available at: www.chrb.ca.gov (Media Room).

Table of Contents

Message from the Secretary	3
Report from the Chair	4
Racetracks and Training Facilities Map	6
Simulcast Facilities Map	7
The California Horse Racing Board	8
Members of the Board	9
Board and Committee Meetings	11
Operating Budget.	12
State Operations.	13
Regulatory Changes	14
Enacted Legislation	17
Recommendations	18
Licensing	19
Appointed Racing Officials.	20
Racing Supervision.	21
CHRIMS	22
Laboratory Services	23
Racing Safety Program	24
Equine Postmortem Program	26
Equine Catastrophic Injuries at CHRB Facilities	27
Starts for All Breeds	27
Jockey, Driver, Exercise Rider Injury/Accidents	28
Jockey Injuries.	28
Catastrophic Injuries by Trainer.	29
Horse Racing in California/Schedule of Horse-Racing Meets	31
Handle 2020.	32
Simulcast Facilities	33
Racetracks and Race Meets	34
Horse-Racing Revenue.	38
Charity Days	38
Uncashed Tickets	39
Distribution by Fund	39
Occupational Licenses and Fees.	40
Other Public Revenue	41
Racetrack Commissions.	41
Horsemen’s Purses	41
Statistics for Horses Claimed.	42
Authorized Horse Sales	42
Horse Breeding Programs	43
Revenue Stream	44
Sources of Handle Chart	46
California Horsemen’s Organizations Welfare Funds.	47
Audited Expenses of California Horsemen’s Organizations	47
Audited Financial Statements of California Horse-Racing Industry.	48

Message from the Secretary



I am pleased to introduce the California Horse Racing Board's (CHRB) Annual Report.

Despite the ongoing challenges of the COVID-19 pandemic, CHRB has continued making significant strides in im-

proving the safety of horses and riders. I am very proud of the board for updating its health and safety protocols this year.

I had the opportunity to see first-hand the commitment CHRB has to safety protocols in a recent visit to Del Mar this fall. CHRB's safety initiatives have led to a 50 percent drop in equine fatalities over the last two fiscal years and continues to protect our horses and licensees. It is fitting that the Breeders' Cup was held at the Del Mar Race this year, which had an exemplary safety record.

While CHRB continues to lead in many fronts, we had several notable recognitions this year I would like to highlight. This year CHRB's Chair was honored at Del Mar as a Laffit Pincay Award

recipient for his outstanding commitment and extraordinary dedication to horse racing. Chief Steward Darrel McHargue was inducted into the National Museum of Racing's Hall of Fame for his riding accomplishments – he was a jockey for 11 years until 1988 when he retired to become a racing official. We are proud to celebrate their lifetimes of hard work and achievements.

Finally, on behalf of the Business, Consumer Services and Housing Agency, I would like to thank CHRB Executive Director Scott Chaney for his leadership in continuing to emphasize safety and professionalism in horse racing.

I look forward to the progress that I know CHRB will make next year by building on the solid foundation they laid this year.

Lourdes M. Castro Ramírez, MA
Secretary
Business, Consumer Services & Housing Agency

Report from the Chair



After the pandemic severely impacted California horse racing in 2020 by limiting public attendance and in many cases temporarily halting racing altogether, conditions returned closer to normal by the end of 2021. Working with health authorities, race-

tracks implemented safety protocols that eventually allowed the public to return to the races in growing numbers. Even though Breeders' Cup limited ticket capacity due to precautions related to COVID-19, a combined 47,089 fans attended Breeders' Cup championship races at Del Mar Racetrack on November 5 and 6.

Business on the Rebound

One of the best barometers for determining the health of California horse racing in any given year is the amount of money wagered on races (handle). A total of \$3,327,197,071 was wagered by fans of California horse racing in calendar year 2021, compared to \$2,736,252,570 in 2020 and \$2,966,191,753 in 2019.

Remaining Cautious

In an abundance of caution, the CHRB continued to conduct all Board and committee meetings by teleconference throughout the year. The public participated in those meetings either by dialing into the teleconference line or listening through a link on the CHRB website. As many as 60 non-CHRB individuals dialed into one teleconference meeting, more than the usual attendance at most in-person meetings.

Protecting Horses and Riders

Animal welfare is a high priority with the CHRB and a legitimate public concern. Our website lists dozens of safety initiatives implemented over the

years with the cooperation of racetracks, horse owners and trainers, jockeys, and practicing veterinarians. These efforts accelerated in recent years. The CHRB continues to implement policies, assign personnel, and adopt regulations to protect horses and their riders. A trend of declining equine catastrophic injuries at facilities under the CHRB's jurisdiction testifies to the importance and efficacy of those safety initiatives.

California horse racing experienced a 50-percent decline in equine catastrophic injuries over the last two fiscal years. After 144 horses died in FY 2018-19 from racing or training injuries or other causes, the number dropped to 72 in FY 2020-21. Of those, 45 were due to musculoskeletal injuries related to strenuous exercise associated with racing and training, while 27 were non-musculoskeletal due to barn accidents and systemic diseases, such as, but not limited to, colic, pneumonia, and cardiovascular failure. To put these numbers in context, there were nearly 31,000 race starts and more than 70,000 workouts in California in FY 2020-21. And at any given time, there are approximately 4,000 horses in training at California racetracks and training facilities.

The CHRB issued a news release on this subject, but the information is worth summarizing. Commissioners adopted rules limiting the use of the riding crop, required trainers to participate in a full postmortem examination review to make them aware of the nature of the injuries and to discuss ways to prevent such injuries in the future, allowed Official Veterinarians to require diagnostic imaging prior to removing horses from the restrictive Veterinarian's List before permitting them to train or compete, and prohibited or severely restricted the use of bisphosphonates, thyroxine, extra-corporeal shockwave therapy, and intra-articular injections prior to workouts and racing. (Pages 14, 15, and 16 of this report contain additional information.)

Building a Stronger Team

Dr. Jeff Blea accepted the appointment to Equine Medical Director after many years working as a veterinarian on the Southern California racing circuit. We also created the new position of Chief Official Veterinarian, and named Dr. Timothy Grande, longtime Official Veterinarian on the Southern California thoroughbred circuit, to meet the broad responsibilities of overseeing veterinarians, veterinary procedures, and practices throughout the state. We are very proud of our team of veterinarians.

This Board has accomplished a great deal over the last year, and we all are glad to see the reappointment of Commissioner Dennis Alfieri, an integral member of our team.

'Home' of the World Championships

I mentioned the Breeders' Cup. California has been privileged to host the world championships for 15 of its 38 runnings, beginning in 1984, when Hollywood Park hosted the first Breeders' Cup program. This was the second time Del Mar hosted the Breeders' Cup, and judging from its success, it won't be the last.

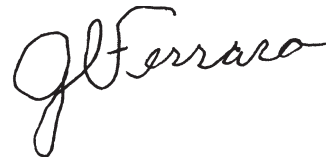
Fans wagered \$182,908,409 on the Breeders' Cup programs, a new record for the two-day event. Those crowds I mentioned totaling 47,089 were a bit thin by Breeders' Cup standards, but that was by design because the organizers reduced ticket capacity as a precaution due to COVID-19.

The Breeders' Cup took the bold step of prohibiting Lasix, or furosemide, in its 14 championship races, as well as the undercard. By all indications, there were no adverse results from its elimination.

There were no equine catastrophic injuries or observable serious injuries during the two programs. One assistant starter was injured in a starting gate mishap, but he informed the CHRB afterwards that he was fine and back to work. Unfortunately, that starting gate incident involved the mistaken scratch of a horse, which then ran for purse money only (no betting) pursuant to CHRB Rule 1974(b). The CHRB is investigating the matter.

Also significant, our stewards demanded full compliance with our rules governing use of the riding crop, which are more restrictive than in most other jurisdictions in North America. Jockeys were cautioned in advance that the crop rules would be strictly enforced and that any fines would be significantly higher, so it was no surprise when the stewards issue \$5,000 fines to each of two jockeys who violated the rules and a third fine of \$1,000.

All Breeders' Cup horses were tested for levels of total carbon dioxide (TCO₂), and testing of post-race blood and urine samples was performed on the first four finishers in each race and other horses randomly selected by the stewards. All of those tests were negative.



Dr. Gregory Ferraro, Chair
California Horse Racing Board

Names and Locations of Racing and Training Facilities Regulated by the California Horse Racing Board

All of these locations except San Luis Rey Downs, which is an approved training center, and the Humboldt County Fair are open to the public during their off seasons for simulcast wagering.



Names and Locations of Simulcast-Only Facilities Regulated by the California Horse Racing Board

(See adjacent "Race Tracks" map for other wagering locations.)

Due to the pandemic, some locations are subject to closure.



Simulcast-only Facilities

- 1–Antelope Valley Fair, Lancaster
- 2–Commerce Casino, Commerce*
- 3–Derby Room, Sports Grill & Turf Club, Norco*
- 4–Fantasy Springs Casino, Indio
- 5–Firehouse Restaurant, Bakersfield*
- 6–Glen Arden Club, Glendale*
- 7–Hollywood Park Casino, Inglewood
- 8–Lake Elsinore Hotel & Casino, Lake Elsinore*
- 9–Lake Perris Sports Pavilion, Perris
- 10–Los Angeles County Fair, Pomona
- 11–Monterey County Fair, Monterey
- 12–National Orange Show, San Bernardino
- 13–OC Tavern, San Clemente*
- 14–Pechanga Resort Casino, Temecula
- 15–Sammy’s Restaurant and Bar, Lake Forest*
- 16–San Bernardino County Fair, Victorville
- 17–San Joaquin County Fair, Stockton
- 18–San Mateo Events Center, San Mateo
- 19–Santa Clara County Fair, San Jose
- 20–Santa Clarita Lanes, Santa Clarita*
- 21–Solano County Fair, Vallejo
- 22–Tilted Kilt, Thousand Oaks*
- 23–Ventura County Fair, Ventura
- 24–Viejas Casino and Turf Club, Alpine

* Mini-satellite locations

The California Horse Racing Board

History and Mission Statement

Horse racing has been taking place in California since the 1800s, but horse racing as we now know it — under the pari-mutuel wagering system — was not made possible until the electorate passed a constitutional amendment in 1933. The Horse-Racing Law has since been regularly modified, amended, and enhanced to provide for regulation of live racing, off-track wagering, interstate and international wagering, and online account wagering, known as Advance Deposit Wagering, or ADW.

The expressed intent of the Horse-Racing Law is to allow pari-mutuel wagering on horse races and:

- ◆ Assure protection of the public.
- ◆ Encourage agriculture and the breeding of horses in this state.
- ◆ Provide uniformity of regulation for each type of horse racing.
- ◆ Provide for maximum expansion of horse-racing opportunities in the public interest.

To accomplish these objectives, the constitutional amendment authorized pari-mutuel wagering on the results of horse races at licensed race meets and created the California Horse Racing Board (CHRB/Board) to oversee the industry's activities in this state. In addition, the CHRB exchanges information on licensees and disciplinary proceedings with other commissions through the National State Racing Information System.

The CHRB is a seven-member commission appointed by the Governor. It directs a statewide staff in the licen-

sure and oversight of all race meets in the state where pari-mutuel wagering is conducted, as well as off-site simulcast wagering locations and ADW companies.

Mission Statement

The mission of the CHRB is to ensure the integrity, viability, and safety of the California horse-racing industry by regulating pari-mutuel wagering for the protection of the public, promoting horse racing, breeding, and wagering opportunities, and fostering safe racing through the development and enforcement of track safety standards and regulations for the health and welfare of all participants.

Principal activities of the CHRB include:

- ◆ Adopting rules and regulations to protect the public and ensure the safety of the human and equine participants.
- ◆ Licensing racing associations and racing-industry participants and officials.

- ◆ Allocating racing days and charity days conducted by racing associations and fairs.
- ◆ Encouraging innovative expansion of wagering opportunities, such as mini-satellites.
- ◆ Monitoring and auditing pari-mutuel handle and takeout, and the appropriate use of takeout distributions.
- ◆ Assessing racing surfaces to determine safety standards for the benefit of the participants.
- ◆ Enforcing laws, rules, and regulations pertaining to horse racing in California.
- ◆ Acting as a quasi-judicial body in matters pertaining to horse-racing meets.
- ◆ Collecting the state's lawful share of revenue derived from horse-racing meets.

The following pages explore some of these programs and functions in more depth.

Members of the California Horse Racing Board

The Board consists of seven members appointed by the Governor, generally to four-year terms, who are subject to Senate confirmation. Members are eligible for reappointment at the discretion of the Governor. The terms are specific; no more than two of the terms expire in any calendar year.

At least four members of the CHRB must concur in the taking of any official action or in the exercise of any of the Board's duties, powers, or functions. The member commissioners elect their chairperson, who presides over meetings of the Board. The members also elect a vice chairperson or when necessary a first vice chair and a second vice chair to preside in the absence of the chairperson.

Commissioners receive \$100 for each day spent in attendance at meetings and are reimbursed for travel and other expenses necessarily incurred in the performance of their official duties.

Committees of the Board

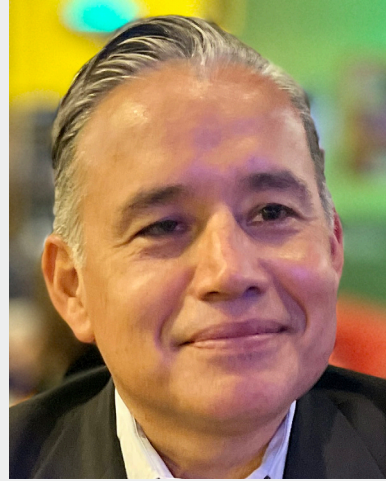
The executive director is directed to provide public notice of committee meetings in accordance with the Bag-

ley-Keene Open Meeting Act. Whenever a Board quorum is expected at any meeting of a committee, the executive director shall give notice that the meeting is a Special Meeting of the California Horse Racing Board limited to the agenda, the items to be discussed at the meeting, and the expected commissioners in attendance, so that legal notice may be published.



**Dr. Gregory Ferraro,
Chair**

Retired Director of the Center for Equine Health at the University of California, Davis, Appointed to the CHRB by Governor Gavin Newsom on June 25, 2019, through January 1, 2023.



**Oscar Gonzales,
Vice Chair**

Assistant Secretary for Administration at the U.S. Department of Agriculture. Appointed to the CHRB by Governor Gavin Newsom on September 9, 2019, through July 26, 2023.

Members of the California Horse Racing Board



**Dennis Alfieri,
Member**

Managing Member of Mission Real Estate Group, LLC.
Founder of Bantry Property Services, LLC
Appointed to the CHRB by Governor Edmund G. Brown Jr. on December 17, 2018, through July 26, 2021.
Reappointed by Governor Gavin Newsom through July 26, 2025.



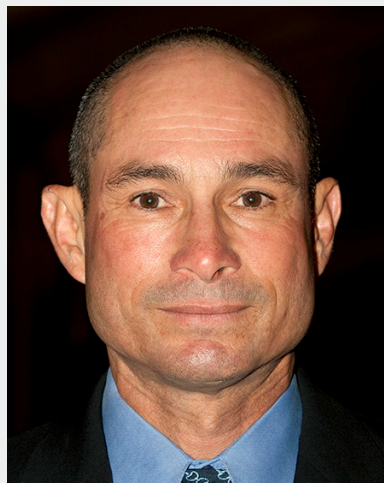
**Wendy Mitchell,
Member**

Principal of WM Consulting Inc. since 2006.
Appointed to the CHRB by Governor Gavin Newsom on September 9, 2019. Reappointed by Governor Newsom through July 26, 2024.



**Damascus Castellanos,
Member**

Secretary-Treasurer for Teamsters Local No. 495.
Appointed to the CHRB by Governor Gavin Newsom on March 10, 2020, through January 1, 2022.



**Alex Solis,
Member**

Retired jockey, who rode in the United States from 1982 through 2017, and member of National Museum of Racing's Hall of Fame.
Appointed to the CHRB by Governor Edmund G. Brown Jr. on April 30, 2015, through January 1, 2018. Reappointed by Governor Brown through January 1, 2022.



**Brenda Washington Davis,
Member**

Principal in the Brenda Davis Law Group.
Appointed to the CHRB by Governor Gavin Newsom on August 26, 2020, through January 1, 2024.

2021 Board and Committee Meetings

Racing commissioners convened 15 public meetings in 2021.
Noticed meetings are open to the public and include a published agenda.

The following 12 Board meetings were held:

January 21, 2021 - Teleconference	June 16, 2021 - Teleconference	November 17, 2021 - Teleconference
February 17, 2021 – Teleconference	July 21, 2021 - Teleconference	December 15, 2021 - Teleconference
March 23, 2021 - Teleconference	August 18, 2021 - Teleconference	
April 21, 2021 - Teleconference	September 15, 2021 - Teleconference	
May 19, 2021 - Teleconference	October 20, 2021 - Teleconference	

Committee Public Meeting Dates

The following three committee meetings were held:

Pari-Mutuel and Wagering	Race Dates	Medication, Safety and Welfare
June 15, 2021 - Teleconference	August 17, 2021 - Teleconference	October 19, 2021 – Teleconference

CHRB Operating Budget

July 1, 2020 – June 30, 2021

Appropriations	Item	Total
Personal Services	\$5,975,000	
Operating Expenses	9,313,000	
Total Appropriation		\$15,288,000
Expenditures — Personal Services		
Salaries and Wages	\$3,774,448	
Staff Benefits	1,928,251	
Total Personal Services		\$5,702,699
Operating Expenses and Equipment		
General Expense	\$203,146	
Printing	23,562	
Communications	87,356	
Postage	10,256	
Travel-in-State	162,423	
Travel-out-of-State	0	
Training	5,644	
Facilities Operations	199,124	
Contractual & Professional Services–Interdepartmental	5,033,320	
Contractual & Professional Services–External	2,917,215	
Consolidated Data Center	246,135	
Information Technology	8,713	
Equipment	51,568	
Legal: Attorney General	315,259	
Total Operating Expenses and Equipment		\$9,263,721
Total Expenditures		* \$14,966,420

* Includes year-end accruals

State Operations

The CHRB is in the Business, Consumer Services, and Housing Agency.

Horse racing's specialized and complex regulatory requirements drive the CHRB's organizational structure and determine the responsibilities for its operational divisions.

The Board appoints an executive director to carry out its objectives. Executive Director Scott Chaney is responsible for the Board's operations and regulation of the horse-racing industry.

The executive and management team plans and oversees the CHRB's budget and directs the department's operational divisions: Administrative Services, Legislation and Regulations, Audits, Licensing, Information Technology, and Enforcement.

Horse racing's dynamics, complexity, and broad geographical base place a tremendous responsibility on the Board's staff. To assist in this day-to-day oversight, the CHRB contracts with stewards and veterinarians for on-track activities, and with the Uni-

versity of California, Davis, for drug testing and safety-related services.

The horse-racing industry operates seven days a week, 365 days a year. Even when there is no live racing, the stable areas and training facilities remain active. To meet the demands associated with this schedule, the executives and key managers remain available at any hour of the day.



**Scott Chaney,
Executive Director**

A member of the State Bar of California, served as a steward in California from 2005 until he assumed duties as Executive Director on April 16, 2020.



**Cynthia Alameda,
Assistant Executive Director**

Nineteen-year career in fiscal and administrative oversight for the State prior to joining the CHRB as Assistant Executive Director on February 12, 2020.

Regulatory Changes

The following regulations/rules were amended, repealed, or added during FY 2020-21.

- Regulation/Rule 1846.6** **Name:** Postmortem Examination Review
Summary: Added to require postmortem examination review panel to be convened to determine circumstances of each equine catastrophic injury occurring within a CHRB inclosure.
Status: Approved by the Office of Administrative Law (OAL) on March 10, 2020, and effective July 1, 2020.
- Regulation/Rule 1660.1** **Name:** Claimed Horse Health Record
Summary: Added to establish procedures by which medical information of a claimed horse will be transferred electronically to the new attending veterinarian upon purchase in a claiming race.
Status: Approved by OAL on April 3, 2020, and effective July 1, 2020
- Regulation/Rule 1867.1** **Name:** Use of Bisphosphonates Prohibited
Summary: Added to prohibit administration of bisphosphonates to any horse within a CHRB inclosure and prohibit any licensee from bringing into the inclosure a horse that has been administered a bisphosphonate within the previous six months.
Status: Approved by OAL on April 29, 2020, and effective July 1, 2020
- Regulation/Rule 1846.1** **Name:** Veterinary Records for Horse Shipping into an Inclosure to Race
Summary: Added to require that if a horse has not been stabled at a facility under the jurisdiction of the Board for 14 days prior to a race, or for 14 days prior to working off the Veterinarian’s List, the trainer shall submit to the official veterinarian the previous 14-day veterinary treatment record.
Status: Approved by OAL on June 25, 2020, and effective October 1, 2020
- Regulation/Rule 1842.5** **Name:** Trainer to Maintain Medication Treatment Records
Summary: Added to require that trainers maintain a record of all medication treatments administered to a horse under their care that is within the inclosure.
Status: Approved by OAL on July 13, 2020, and effective October 1, 2020
- Regulation/Rule 1845** **Name:** Authorized Bleeder Medication
Summary: Amended to reduce maximum allowable dose of race-day furosemide from 500 milligrams to 250 milligrams and to prohibit administration of furosemide to two-year-olds entered to race.
Status: Approved by OAL on August 11, 2020, and effective October 1, 2020
- Regulation/Rule 1688** **Name:** Use of Riding Crop
Summary: Amended to restrict riding crop use during racing and training.
Status: Approved by OAL on August 18, 2020, and effective October 1, 2020

Regulation/Rule 1435

Name: Suspension of License to Conduct a Race Meeting

Summary: Certificate of compliance for emergency rulemaking. Added to allow the Board, upon petition, to issue an order suspending a license to conduct a race meeting or imposing restrictions when necessary to protect the safety of the horse or rider.

Status: Approved by OAL on September 1, 2020, and effective September 1, 2020

Regulation/Rule 1503

Name: Qualifications for License as Assistant Trainer and Trainer

Summary: Amended to add requirements for obtaining a trainer license and requirements related to examinations for trainer and assistant trainer licenses.

Status: Approved by OAL on September 15, 2020, and effective January 1, 2021

Regulation/Rule 1842

Name: Veterinarian Report

Summary: Amended to require every veterinarian who treats a horse within the inclosure to use an electronic, online form prescribed by the Board to report such treatment to the official veterinarian.

Status: Approved by OAL on October 8, 2020, and effective January 1, 2021

Regulation/Rule 1632

Name: Jockey's Riding Fee

Summary: Section 100 regulation due to non-substantive changes. Pursuant to Business and Professions Code (BPC) section 19501, which requires the Board to amend CHRB Rule 1632 to increase the minimum jockey riding fees for losing mounts whenever California's minimum wage is increased. California's minimum wage increases January 1 annually pursuant to Senate Bill (SB) 3.

Status: Approved by OAL on October 22, 2020, and effective January 1, 2021

Regulation/Rule 1503.5

Name: Continuing Education for Trainers and Assistant Trainers

Summary: Added to establish requirements related to certification of completion of approved continuing education (ACE) coursework, to require the stewards to take action against trainers and assistant trainers who provide false certifications, and to allow for waivers from ACE requirements under specified conditions.

Status: Approved by OAL on February 4, 2021, and effective February 4, 2021

Regulation/Rule 1866.2

Name: Shockwave Therapy Restricted

Summary: Added to establish procedures for possession and use of extracorporeal shock wave therapy (ESWT) machines within CHRB inclosures.

Status: Approved by OAL on December 2, 2020, and effective April 1, 2021

Regulation/Rule 1588

Name: Horse Ineligible to Start in a Race

Summary: Amended to provide that a horse is ineligible to start in a race if it has not been in the care of a licensed trainer and stabled within a Board inclosure for seven consecutive days prior to the race, with certain exceptions.

Status: Approved by OAL on December 15, 2020, and effective April 1, 2021

Regulations/Rules 1560 and 1561

Name: Duties of the Official Veterinarian and Duties of the Racing Veterinarian

Summary: Rule 1560 was amended to provide that the official veterinarian shall have authority and jurisdiction to supervise the Racing Veterinarian. Rule 1561 was amended to provide that the Racing Veterinarian shall have direct reporting responsibility to the official veterinarian and Board of Stewards and shall make reports to said parties. The amendment to Rule 1561 also stipulates that no licensed official or other employee of the association or fair shall have authority to override or interfere with the Racing Veterinarian's responsibilities under the rule.

Status: Approved by OAL on December 21, 2020, and effective April 1, 2021

Regulation/Rule 1843.3

Name: Penalties for Medication Violations

Summary: Amended to include the administration of ESWT as subject to the same penalties set forth for the licensed trainer and specifies that such penalties apply to the veterinarian.

Status: Approved by OAL on December 30, 2020, and effective April 1, 2021

Regulations/Rules 1843.3 and 1843.4

Name: Penalties for Medication Violations, Multiple Medication Violations (MMV)

Summary: Rule 1843.3 was amended to authorize the Board to establish separate, enhanced penalties for multiple medication violations (MMV), which will run consecutive to any suspension imposed under the rule. Rule 1843.4 was added to specify the enhanced penalties for MMV and establish a point system by which the enhanced penalties are imposed.

Status: Approved by OAL on December 21, 2020, and effective April 1, 2021

Regulations/Rules 1501 and 1502

Name: Worker's Compensation Insurance Required and Program training prohibited

Summary: Rule 1501 was amended to provide that no licensee shall place any horse in the care or attendance of any other person for the purpose of avoiding the requirements for workmen's compensation insurance. This provision was moved from Rule 1502. Rule 1502 was amended to clarify that program training is prohibited and that any licensee who engages in program training may be suspended or fined.

Status: Approved by OAL on January 21, 2021, and effective April 1, 2021

Enacted Legislation

The following horse-racing bill was chaptered in 2021:

**AB 1173 – Assembly
Member Jim Cooper;
Chapter 531**

This bill makes changes to the Advance Deposit Wagering (ADW) arbitration and contractual compensation provisions found in Horse-Racing Law. It specifies what the compensation for ADW providers should be during arbitration: the average of the contractual compensation in the disputed hub agreement and the contractual compensation set in the arbitration notice. In determining final compensation through the arbitration process, the arbitrator will be required to select the set of terms that most accurately reflect the existing market rate of compensation for the services provided by the ADW provider. Finally, the bill will authorize either party in the arbitration to appeal an arbitrator's decision in state court.

Recommendations

California Business and Professions Code (B&P Code) section 19441 requires the CHRB to make recommendations deemed needed for improved functioning of the horse-racing laws. Additionally, section 19441.2 requires a tabulation of injuries, catastrophic injuries, and comparative accident rates for all racing and training venues. The section 19441.2 requirements are listed on pages 27-30 of this annual report.

Track Maintenance and Protocols

Tracks should implement protocols for real-time adjustments based on track performance.

Tracks should monitor the speed of surfaces, race by race, adjusting surfaces for class levels.

Tracks should use weather-based algorithms for track maintenance and closures.

Tracks should make surface changes accessible to horsemen via a digital record-keeping system.

Racing Office

The racing secretary should write condition books (proposed races) based on the current horse population.

The Racing Office should communicate with association veterinarians during the entry process.

Compromised horses should not be entered at all. Certainly, the Racing Office should not encourage such an entry.

Security

Tracks should consider expanding video surveillance at all locations, including the racing ovals to monitor morning training.

Training Practices

Trainers should rest horses based on their rate of accumulation of high-speed furlongs, time in training, or number of high-speed events.

Veterinary Practices

Private practitioners should increase physical examinations prior to high-speed workouts, race entries, and intra-articular (IA) therapy.

Horses that work out after entry, before they race, should be re-examined by attending veterinarians.

Private practitioners should increase diagnostic procedures prior to IA therapy.

Research and Strategies

Industry should support research on the relationship between dorsal metacarpal/metatarsal disease and catastrophic musculoskeletal injury.

Industry should support research to better understand the etiology of medial proximal sesamoid bone (PSB) osteogenic lesions.

Industry should support stratagems to increase the use of special imaging techniques.

Facilities

Facilities at the racetrack should be explored for a small, paddock turn-out where horses can be outdoors and with more space.

CHRB

Track Veterinarian emergency procedures should be formalized, including requiring filing CHRB Form 24 reports, and obtaining post-injury samples from all horses treated in on-track emergency incidents.

The CHRB should develop controls to ensure that horses are suited for high-speed workouts, and racing and training records must be examined before horses are permitted to work.

The CHRB should examine the association between crop use and serious musculoskeletal injury.

The CHRB should consider regulations requiring diagnostic imaging prior to repeated IA treatments in the same horse.

The CHRB should establish policies on physical therapy treatments by identifying allowable times for physical therapy relative to racing or training, and determining which treatments require a veterinary prescription.

The CHRB should expand the list of prohibited medications and practices.

The CHRB should require compulsory diagnostic imaging for known risk factors for PSB fractures.

Licensing

The CHRB licensing unit is comprised of one racing license supervisor and seven racing license technicians assigned to the thoroughbred, quarter horse, and harness venues. During a licensed racing meet at any of the racetracks in the state, a licensing field office of the CHRB is established at the operating facility.

In FY 2020-21, the Licensing Unit issued 7,397 new, renewal, or duplicate licenses. The issued licenses included 2,953 owner licenses, 1,766 stable worker and groom licenses, 288 pari-mutuel clerk licenses, 251 trainer or assistant trainer licenses, 255 exercise rider licenses, and 107 jockey or apprentice jockey licenses. The issuance of these licenses generated revenue for the State General Fund from July 1, 2020, through December 31, 2020. Effective January 1, 2021, the licensing fee revenue was directed to the newly established Horse and Jockey Safety and Welfare Account per AB 1974.

The Live Scan fingerprint technology continues to streamline the licensing process. Due to COVID-19, the CHRB Licensing Unit has transitioned to a new “FLATS on APPS” fingerprint capture method for Live Scanning of applicants. This allows the applicant to submit fingerprints quickly and easily without the need for the CHRB Licensing Technician to make physical contact with the applicant. This also allows for appropriate physical distancing to prevent the spread of COVID-19 or other viruses. FLATS on APPS has been in effect at all Licensing locations since June 2020.

All new applicants and renewals that have been expired for

more than three years are required to provide fingerprints through the Live Scan system. After being Live Scanned, the applicant's fingerprints are submitted to the California Department of Justice and the Federal Bureau of Investigation. All local, state, and federal criminal history records for the applicant are provided to the CHRB to review for license suitability.

The CHRB Licensing staff verifies that all licensed trainers have the required workers' compensation insurance. They also check the racing programs daily to ensure that all participants are properly licensed. CHRB Licensing Technicians are trained on the complex circumstances of multiple partnerships, racing syndications, stable names, and various types of corporations, so they are able to explain the requirements to applicants and assist them in selecting the type of license that best meets their needs. As part of the verification process, the CHRB License Technicians utilize computer databases, consult with other racing jurisdictions, and also work closely with CHRB Enforcement personnel.

Appointed CHRB Officials — FY 2020-21

STEWARDS

Paul Atkinson

Grant Baker

Steve Carpenito

Ronald Church

James Dreyer

Harry Grow

John Herbuveaux

Luis Jauregui

Richard Lewis

Thomas McCarthy

Darrel McHargue (Chief Steward)

William Meyers

Dennis Nevin

Rodney Newhart

David Nuesch

Calvin J. Rainey

Kim Sawyer

Thomas Ward

Richard Williams

George Yniguez

OFFICIAL VETERINARIANS

Dr. Gary Beck

Dr. Laurie Bohannon

Dr. Mark Christin

Dr. Eduardo De La Cruz-Ballard

Dr. Forrest Franklin

Dr. Timothy Grande

Dr. Barrie Grant

Dr. Diane Isbell

Dr. Kathy Jones

Dr. Nolton Pattio

Dr. Alina Vale

Racing Supervision

Racing officials appointed or approved by the CHRB are responsible for on-site supervision of race meets. The racing officials are the stewards, safety stewards, paddock judges, patrol judges, starters, clerks of scales, Official Veterinarians, racing veterinarians, horse identifiers, horseshoe inspectors, and timers.

The stewards have overall responsibility for the conduct of race meets and are strictly responsible to the Board for the conduct of the meet in every particular. Each panel of three stewards has been delegated the powers and duties necessary to ensure the integrity of racing and to oversee compliance with laws and rules.

CHRB Chief Steward Darrel McHargue meets regularly with stewards to discuss and evaluate decisions, rulings, and other actions.

The CHRB directly appoints all stewards and Official Veterinarians. Other racing officials are nominated by the racing associations subject to CHRB approval. The Legislature provides an annual appropriation to meet the costs of direct racing supervision. The CHRB paid \$2,611,923 for steward and Official Veterinarian services in FY 2020-21; racing associations pay other officials in the manner prescribed and agreed to by the CHRB.

Acting for the CHRB in matters relating to the race meets assigned to them, the stewards use their delegated authority for the following:

- ◆ Oversee entries, declarations, and the placing of horses for the official order of finish.
- ◆ Preside over examinations required for certain classes of licenses.
- ◆ Conduct administrative hearings

on matters involving CHRB rule violations and racing infractions.

- ◆ Issue rulings based on hearings, such as suspensions and fines.
- ◆ Make recommendations to the CHRB regarding the qualifications and fitness for licensure of applicants referred to them by the Board's licensing staff.
- ◆ Maintain minutes of all such proceedings for review by the Board and the public.
- ◆ Participate in Panel Review of horses entered to race.
- ◆ Participate in Postmortem Examination Reviews.
- ◆ Oversee safety concerns for the race meetings.

The stewards attend quarterly Stewards' Committee meetings to receive information and to discuss issues, rule changes, and interpretations of policy. They share views and experiences relating to race reviews, veterinary practices, administrative hearing procedures, and other important work-related matters. The meetings help them remain current on laws, regulations, and policies, helping ensure that all stewards' decisions are made in a fair and consistent manner throughout the state.

Safety stewards enforce compliance with safety standards. They also:

- ◆ Monitor training to ensure exercise riders, outriders, and pony riders observe all rules, including wearing safety vests and helmets.
- ◆ Follow the horse ambulance protocol for quick response during training and racing.
- ◆ Oversee continuing education for trainers.

- ◆ Assist testing for provisional exercise riders and apprentice jockeys.
- ◆ File official reports for all serious racing and training incidents.
- ◆ Attend Postmortem Reviews and assist with the investigation of horse catastrophic injuries.
- ◆ Assist the stewards in the licensing of jockeys and exercise riders.
- ◆ Conduct field sampling and testing for the Racing Safety Program.
- ◆ Monitor and observe daily backside activities.
- ◆ Perform pre-meet track safety inspections.
- ◆ Assist Official Veterinarians in out-of-competition drug testing.

The Official Veterinarians, overseen by the Equine Medical Director (EMD), Dr. Jeff Blea, and the CHRB Chief Official Veterinarian (COV), Dr. Timothy Grande, enforce regulations relating to veterinary practices, medication, and the health and welfare of the horse. They supervise licensed veterinarians, operations of the receiving barn, the collection of equine samples for testing, and the preparation and documentation of the samples to be transported to the laboratory.

The Official Veterinarians consult with the EMD, COV, and track veterinarians; examine horses for fitness; maintain a health and racing soundness record for each racehorse eligible to compete at a race meet; review confidential reports of veterinary treatments of horses under their general supervision; maintain records of infirm horses, accidents, and injuries; approve prescribed therapeutic treatment regimens; and otherwise act as the Board's veterinary advisors.

CHRIMS

California is the only state with a statewide pari-mutuel database providing services to racetracks, horsemen, and government entities. Services provided by CHRIMS include data collection, calculation of takeout distributions, database management, software development, pari-mutuel accounting and settlements, money-room balancing, customer resource management, and statistical analysis.

CHRIMS is a not-for-profit, mutual-benefits corporation whose members include Northern California Off-Track Wagering Inc. and Southern California Off-Track Wagering Inc. An eight-member board of directors, which includes representatives from racing associations and horsemen, oversees the CHRIMS operation. The CHRIMS databases contain California wagering and attendance data dating back to 1985.

CHRIMS has been instrumental in helping the California racing industry cope with the demands associated with the changing landscape of pari-mutuel wagering during the past 35 years. Specialized applications enable data technicians to electronically collect wagering data and calculate the distribution of takeout based upon California pari-mutuel horse-racing law and contractual business rules.

Each day, CHRIMS downloads pari-mutuel data from various totalisator systems. The data include wagering pools, takeout commissions, breakage, minus pools, runner pay, refunds, uncashed tickets, and voucher information. The raw data collected from totalisator systems are compiled and translated into the CHRIMS database parameters, which conform to California racing law. CHRIMS data can be sorted by a myriad of criteria, including by date, race, pool, host track, location of bet, location type, breed, geo-

graphic zone, zip code, state, and race type. CHRIMS connects to and downloads data from AmTote, United Tote, and Sportech, and receives data from the seven licensed California ADW companies, which include Game Play, Lien Games, NYRAbets, TwinSpires, TVG, XpressBet, and Watch & Wager.

CHRIMS manages the intrastate tote wagering telecommunications network and provides data relating to the specifics of races (runners, distance, surface, age, class, etc.) via downloads from Equibase.

CHRIMS also provides services to racetracks, ADW companies, and racing commissions outside California. Contracts include Amtote, Aqueduct, Belmont, Breeders' Cup, Corbin at Red Mile, eBet, Ellis Park, Elite Turf Club, Emerald Downs, Global Wagering Group, Grants Pass Downs, Gulfstream Park, Keeneland, Kentucky Downs, Laurel Park, Lone Star Park, Meadowlands, Monmouth Park, Pimlico, Racing UK, Remington Park, Sam Houston, Saratoga, Tampa Bay Downs, The Red Mile, and Watchandwager.com. Racing commissions and horsemen's organizations include the Kentucky Horse Racing Commission and the North Dakota Racing Commission. CHRIMS Inc. received \$651,922 from unredeemed vouchers during calendar year 2020.

Laboratory Services

To protect horses and jockeys and the integrity of racing, the CHRB requires analysis of samples from horses in competition. The Kenneth L. Maddy Equine Analytical Chemistry Laboratory (Maddy Lab) at the University of California, Davis (UC Davis), is the authorized laboratory for California horse racing, funded by wagering revenues.

The Maddy Lab analyzed 16,880 post-race urine and blood samples, including in-depth testing of 10,357 samples for anabolic steroids. In addition, 7,712 bicarbonate (TCO₂) loading blood samples, 1,810 cobalt blood samples, 1,873 out-of-competition (OOC) blood samples, 657 OOC hair samples, 26 evidence submissions, and 8,544 other samples for various purposes were analyzed in FY 2020-2021 at a cost of \$4,531,250.

Urine and blood samples are obtained post-race from the winner of every race, horses finishing second and third in certain stakes races, and from any other horses selected at random from each program. Additionally, other horses may be designated for post-race sampling by the stewards. Post-race testing includes in-depth testing for compounds ranging from controlled therapeutic medications to emerging threats to racing integrity and equine welfare and safety. Special testing for cobalt was added early in 2014 and is continually monitored. Other testing includes necropsy tissue samples and toxicology.

Total carbon dioxide (TCO₂) is conducted on thoroughbreds and harness horses to prevent the prohibited administration of bicarbonate. Thoroughbred TCO₂ testing is done pre-race; harness horse TCO₂ testing is primarily done pre-race, but some sampling is done 90 minutes post-race on winners. The CHRB thoroughbred and pre-race harness TCO₂ programs are in compliance with the Racing Medication and Testing Consortium (RMTC) best practices recommendations and the Association of Racing Commissioners International model rule for TCO₂ testing.

OOC testing is critical and necessary to detect certain prohibited drugs in horse racing. OOC testing targets blood-doping agents, anabolic steroids, beta-2 (β₂) agonists, and other biopharmaceutical agents. The OOC program monitors compliance with reporting procedures for anabolic agents and for surveillance of other drugs of interest. The OOC program utilizes hair testing to ensure compliance with regulations, providing an alternative sampling matrix with extended detection for certain compounds.

The Maddy Lab maintains a portion of every urine sample for retrospective testing in the event new testing methods become available. Samples may undergo retrospective testing for drugs of abuse. The CHRB is prepared for the next generation of performance-enhancing drugs.

Dr. Ben Moeller, chief chemist at the Maddy Lab's analytical chemistry division, joined the Maddy Lab in 2016 and has overseen laboratory operations since 2018. Dr. Moeller received his PhD at UC Davis, is an active member of the Association of Racing Chemists, and serves on scientific committees for the RMTC and the International Federation of Horseracing Authorities (IFHA).

The Maddy Lab is accredited by the American Association for Laboratory Accreditation (A2LA) to ISO17025 international standards and was the first laboratory in the country accredited by the RMTC accreditation program. It is one of only six racing laboratories certified as a reference laboratory by the IFHA and the only racing laboratory so certified in the western hemisphere.

The Maddy Lab utilizes state-of-the-art scientific instrumentation, including liquid chromatography-mass spectrometry (LC-MS) screening processes. The combined testing panel is designed to address the abuse of doping agents as well as the regulated use of therapeutic medications. The Maddy Lab routinely adds new drugs and updates its procedures as new information becomes available.

The equine pharmacology/method development section is under the direction of Dr. Heather Knych, a UC Davis School of Veterinary Medicine faculty member and the Maddy Lab's Veterinary Pharmacologist who joined the Maddy Lab in 2008. Dr. Knych received her veterinary degree and PhD from UC Davis and is a board-certified veterinary pharmacologist. Dr. Knych's dissertation research focused on characterizing drug metabolism in horses. In addition to CHRB support, under the leadership of Dr. Knych, the Maddy Lab Pharmacology section has received funding from numerous outside sources, including the Center for Equine Health, RMTC, Grayson/Jockey Club Research Foundation, The Jockey Club, and California Department of Food and Agriculture.

The Maddy Lab conducts ongoing research to improve testing capabilities for potential drugs of abuse and to provide horsemen and veterinarians with information to better treat their horses and remain in compliance with horse-racing rules. Research is an integral, ongoing part of the CHRB's drug-testing program at the Maddy Lab that has improved testing capabilities.

Racing Safety Program

California Business and Professions Code (B&P Code) section 19481 requires the CHRB to establish safety standards to improve the safety of horses, riders, and workers at the racetrack. Section 19481.3 requires stewards to prepare a report identifying circumstances and likely causes for on-track accidents. The B&P Code establishes the qualifications for licensing and the duties of trainers and veterinarians.

The CHRB Racing Safety Program addresses requirements of the B&P Code and is credited with proactively creating programs that continue to significantly reduce injuries to horses and riders.

The RSP's efforts have yielded:

1. Entry Review Panels at all quarter-horse and thoroughbred tracks;
2. Postmortem Examination Review Reports and their Summaries;
3. Equine Catastrophic Injury Reporting and Charts;
4. Equine Injury Reporting;
5. Jockey/Driver/Exercise Rider Accident and Injury Reporting;
6. The UC Davis California Animal Health and Food Safety Laboratory System (CAHFS) Postmortem Program;
7. Track Safety, Measurements, Monitoring, Testing, on all surfaces in California;
8. Racing Reform Recommendations;
9. Continuing Education Requirement for Trainers and Assistant Trainers;

In Greater Detail

1. The Entry Review Panel that reviews every horse entered to race was expanded to every thoroughbred and quarter horse association and fair in California. They have been given the authority to prevent a horse from running or require an enhanced examination to race. Each day following entries a report is generated to flag horses that are at-risk. Eligibility to race or train may not be granted until the horse has performed satisfactorily in a timed workout for a CHRB Official Veterinarian, or diagnostic imaging may be ordered to determine fitness. Regulatory veterinarians will monitor every starter from the time the horses arrive in the receiving barn until they leave the track to ensure all horses are fit to race.
2. Postmortem Examination Reviews are conducted at all tracks and training facilities for all deaths. Conducting the reviews are a safety steward and the Equine Medical

Director or Official Veterinarian. The trainer attends and provide the horse's records, medication history, diagnostic images, shoeing records, and other requested relevant documents. Upon completion of this review, the panel provides a report of the findings to the owner, trainer, and the Board. The CHRB posts each of these as an anonymous summary on its website with the goal of providing greater understanding for future prevention.

3. A searchable, user-friendly chart of all the equine catastrophic injuries since January 1, 2020, is located under the Veterinary tab of the CHRB website. Listed are all the catastrophic injuries by the year, date, track, activity, horse's name, breed, trainer, and any important notes. Information is added as soon as the CHRB is notified. The CHRB's goal is to add to this list all catastrophic injuries that occurred before 2020.
4. Equine injury reporting in California has been in place for over 12 years. The numbers are trending significantly lower. This is due in part to stricter medication rules and regulations, limiting use of the riding crop, more consistent track surfaces, and establishing the entry panels.
5. Accident/injury reporting for jockeys, drivers, and exercise riders has been ongoing. The CHRB promptly notifies the stakeholders when an incident occurs. The CHRB is currently working with track management to ensure the health and welfare of each of these licensees. Together we are implementing safeguards, addressing issues, and enacting measures that will make racing and training safer for all of our human athletes.
6. The CHRB/CAHFS Postmortem Program identifies the pathology related to the death of each horse and provides a scientific understanding of why the catastrophic injury occurred. Post-mortem reports by fiscal year are available on the CHRB website under the Veterinary tab.
7. Track Safety addresses the development of standard, racing-surface performance measurement tools as well as surface-material performance testing. Safety stewards take Clegg readings weekly on both turf and dirt surfaces at their assigned racetrack. Data for the past two years indicate these surfaces have been consistent

in their level of compaction during this time period. The CHRB continues to work with track management at all the associations and training facilities to encourage real-time surface monitoring for track maintenance and closures. Future goals include the creation of safe parameters for track metrics.

8. More than 60 Racing Reform Recommendations resulted from the Santa Anita Catastrophic Injury report released in March of 2020. Since then, the CHRB has been working with track management and the industry to enact specific safeguards that address each. As a result, several rules or regulations have been created or amended, while others have been enacted immediately with a “house rule” by track management. A small percentage are complex and may take more time to complete; however, they are currently moving forward or are in discussion. The majority of the recommendations have been implemented, contributing to a 50-percent decrease in catastrophic injuries over two fiscal years.
9. Trainers and assistant trainers are now required to show proof of having completed 12 hours of approved continuing education (CE) coursework during the preceding 36-month period in order to apply for a license or to renew a license. The majority of trainers have begun taking their CE Courses or attending webinars. They have reported it to be user-friendly. The CHRB website is their primary CE resource. It lists with links to all CE Courses and webinars. The site also has the forms

needed to list completed courses and has waivers for those who qualify. This coursework is currently available on the following websites:

The Welfare and Safety of the Racehorse Summit at <https://courses.grayson-jockeyclub.org/course-index> ;

California Thoroughbred Trainers website at <https://horse-menu.mclms.net/en/package/list> ; and

CHRB website at http://www.chrb.ca.gov/CE_webinars.html.

Equine Postmortem Program

California horse racing experienced yet another reduction in racing and training catastrophic injuries in FY 2020-21, recording the lowest number of total catastrophic injuries since 1990. There was greater than a 50-percent reduction in catastrophic injuries from the previous two years, resulting in the lowest recorded number since comprehensive and reliable records of all catastrophic injuries were first recorded through the CHRB Postmortem Program. Under the guidance and leadership of the CHRB, the reduction in racing and training catastrophic injuries was the culmination of years of effort by horsemen, veterinarians, and all horse-racing industry stakeholders.

The State of California monitors all equine catastrophic injuries within CHRB racing and authorized training facilities. This is accomplished through the efforts of Official Veterinarians, safety stewards, the Equine Medical Director, and the California Animal Health and Food Safety (CAHFS) diagnostic laboratories. CAHFS is part of the School of Veterinary Medicine at University of California, Davis, with laboratories at UC Davis, Tulare, and San Bernardino. The immediate goal of the Postmortem Program is to determine the causes and reasons for horse injuries and catastrophic injuries to reduce serious non-fatal injuries and prevent catastrophic injuries on the track. The overarching focus of the program is to study the nature of injuries occurring in racehorses, to determine the reasons for these injuries, and to develop strategies to improve the health, safety, and welfare of racehorses.

All horses that die within a CHRB facility undergo a comprehensive necropsy at a CAHFS lab as required by CHRB rule. CAHFS veterinary pathologists perform the necropsy and prepare a report for the CHRB. Additional testing, such as toxicology, microbiology, histology, and virology, may be necessary before a final report is issued. The program is world-renowned and considered an international model. The CHRB funds the postmortem examinations; racing associations provide transportation to the CAHFS laboratories; specific studies are funded by research grants from private and public sources, including the Center for Equine Health at UC Davis. Dr. Monika Samol is a post-doctoral fellow under the supervision of Dr. Francisco Uzal, a professor of pathology and head of the program for CAHFS. Dr. Samol's work focuses primarily on musculoskeletal breakdowns, elucidating more information on cause and prevention.

Musculoskeletal injuries in racing and training are the most common cause of catastrophic injuries at CHRB facilities. Musculoskeletal specimens of special interest or for research studies are forwarded to the J.D. Wheat Veterinary Orthopedic Research Laboratory (VORL) at the School of Veterinary Medicine at UC Davis for in-depth analysis. The

uniquely equipped VORL is under the direction of Dr. Sue Stover. In-depth analysis of necropsy specimens at VORL has shown the role of undiagnosed stress fractures contributing to catastrophic fractures of the pelvis, femur, humerus, scapula, tibia, third metacarpal (shin), and other bones. Dr. Stover's team and CAHFS/UC Davis pathologists have focused on proximal sesamoid bone fractures for many years. Proximal sesamoid bone fractures and associated fetlock (ankle) injuries are the single major cause of fatal racehorse injuries, both racing and training, accounting for nearly 50 percent of all musculoskeletal catastrophic injuries.

Pre-existing pathology at the site of the fatal injury is a re-occurring finding at enhanced necropsy. Much of the pre-existing pathology is not clinically apparent and only detectable using specialized laboratory instrumentation on bench-top specimens. Nevertheless, these pre-existing changes suggest there is an opportunity to incorporate early clinical detection techniques to prevent serious injury. Proximal sesamoid bone fractures frequently have pre-existing changes in the bone that are undetectable in standard diagnostic imaging. Working with Santa Anita and the Southern California Equine Foundation, UC Davis veterinary radiologist Dr. Mathieu Spriet developed an innovative, first-of-its-kind, standing positron emission tomography (PET) for horses. The PET and a standing magnetic resonance imaging (MRI) unit at Santa Anita have advanced diagnostic capabilities by veterinarians. These diagnostic imaging modalities, in addition to the nuclear scintigraphy unit, have advanced injury detection, prevention, and management, thereby enhancing racehorse safety. The PET is also currently available to horsemen at Golden Gate Fields.

Sudden deaths continue to be a frustrating cause of catastrophic injuries, accounting for approximately 15 percent of all catastrophic injuries in FY 2020-21. The CAHFS lab is working earnestly, in collaboration with other investigators, to identify the causes of these catastrophic injuries. Morbidity related to cardiovascular failure is often suspected, but it is difficult to determine an actual cause.

The Postmortem Examination Review (CHRB 1846.6) began in July of 2020 with a focus on education and prevention of catastrophic injuries. Trainer participation is mandatory, and the review is conducted by an Official CHRB Veterinarian, a member of the board of stewards, a safety steward, and the Equine Medical Director. Other licensees may be requested to participate in these reviews. The purpose is to maximize the educational opportunity from each equine necropsy, consistent with the overriding goal of the CHRB and the racing industry to reduce catastrophic injuries. This process, in conjunction with recently implemented CHRB Rule 1503.5 requiring trainers to fulfill continuing education requirements, will further support the goal of preventing and reducing fatalities.

Catastrophic Injuries at CHRB Facilities by Track and Surface July 1, 2020 — June 30, 2021

Track	Racing*			Training**			Other***	Total
	Dirt	Synthetic	Turf	Dirt	Synthetic	Turf		
Cal Expo (Harness)	0			0			0	0
Del Mar	1		0	2		0	2	5
Golden Gate Fields		5	3		8	0	9	25
Los Alamitos	13			5			6	24
Pleasanton	0			0			0	0
San Luis Rey Downs				2			0	2
Santa Anita	3		5	5		0	3	16
TOTAL	17	5	8	14	8	0	20	72

* Racing includes any catastrophic injury associated with racing.

** Training includes any catastrophic injury associated with training.

*** Other includes any non-exercise related catastrophic injury, including stable area accidents. The most common cause of death in the Other group is gastro-intestinal diseases, such as colic, colitis, and enteritis, followed by respiratory disease, primarily pneumonia and pleuropneumonia, and neurological diseases, including West Nile Virus and equine protozoal myeloencephalitis (EPM).

Starts for All Breeds: July 1, 2020 — June 30, 2021

Track	Racing Surface		
	Dirt	Synthetic	Turf
Cal Expo Harness	4,005		
Del Mar	1,724		1,693
*Golden Gate Fields		6,304	1,648
**Los Alamitos	8,462		
***Pleasanton	908		
Santa Anita	2,988		3,199
TOTAL	18,087	6,304	6,540

* Sonoma County Fair at Golden Gate Fields run July 29 - August 11, 2020 starts included.

** L.A. County Fair at Los Alamitos run December 2 - December 22, 2020 starts included.

*** California State Fair at Pleasanton run July 15 - July 28, 2020 starts included.

Jockey, Driver, Exercise Rider Injury/Accidents: July 1, 2020 — June 30, 2021

Track	Racing	Training		Other		Total
	Jockey/ Driver	Jockey/ Driver	Exercise Rider	Jockey/ Driver	Exercise Rider	
Cal Expo Harness	0	0		0	0	0
Del Mar	0	0	0	0	0	0
Fairs	1	0	0	0	0	1
Golden Gate Fields	11	1	6	0	1 Outrider	19
Los Alamitos	8	3	2	0	0	13
San Luis Rey Downs	0	0	0	0	0	0
Santa Anita	6	0	2	0	1 Pony Rider	9
TOTAL	26	4	10	0	2	42

Equine Injuries: July 1, 2020 — June 30, 2021

Track	Injuries	# of Starts	Injuries per 1,000 Starts
Del Mar	57	3,417	17
Golden Gate Fields	148	7,952	19
Los Alamitos QH	181	7,226	25
Los Alamitos TB	18	1,236	15
Pleasanton	23	908	25
Santa Anita*	111	6,187	18
Totals	538	26,926	20

Injuries categorized in this chart are based upon horses that were identified by the Official Vet or reported by the trainer to have sustained a musculoskeletal injury preventing them from racing or training at a particular time.

Catastrophic Injuries by Trainer: July 1, 2020 — June 30, 2021

Trainer		Catastrophic injuries				Breed		Starts
Last	First	Racing	Training	Other	Total	TB	QH	Total
Miller	Peter	2	2		4	4		560
Thomas	Jamey	2		1	3	3		150
Baker	D. Wayne	1		1	2	2		182
D'Amato	Phillip		2		2	2		391
Jones	Paul	2			2		2	294
Kruljac	Eric		2		2	2		117
Lenzini	Michael	1		1	2	2		153
Lerner	Andrew	1	1		2	2		151
Naranjo	Salvador		1	1	2	2		73
Tamayo	Isidro	1	1		2	2		523
Viramontes	Rodolfo	1		1	2		2	30
Willoughby	Scott	1	1		2		2	362
Wong	Jonathon	1		1	2	2		784
Wright	Blaine		1	1	2	2		309
Alferez Jr.	Enrique			1	1		PONY	0
Aquino	Angela	1			1	1		333
Arrossa	Monty	1			1		1	180
Baffert	Robert			1	1	1		316
Bean	Robert		1		1	1		77
Bellasis	Tim		1		1	1		102
Belvoir	Vann	1			1	1		142
Cassidy	James W.			1	1	1		64
Cecil	Ben	1			1	1		55
Cerin	Vladimir		1		1	1		120
DeAlba	Cesar	1			1		1	105
Dominguez	Roberto	1			1		1	67
Ekstrom	Leanna	1			1	1		72
Eurton	Peter	1			1	1		229
Garcia	Julio			1	1	PONY		0
Glenn, Jr.	James W.	1			1		1	170
Gomez	Jaime	1			1		1	278
Gonzalez	Salvador			1	1	1		79
Greenman	Dean			1	1	1		9
Hanson	Ryan			1	1	1		156
Heredia	Oscar	1			1	1		83
Hess Jr.	Robert		1		1	1		232
James	Greg		1		1	1		65
Jauregui	O. J.		1		1	1		161
Jones	Martin	1			1	1		22

Catastrophic Injuries by Trainer: July 1, 2020 — June 30, 2021

Trainer		Catastrophic injuries				Breed		Starts
Last	First	Racing	Training	Other	Total	TB	QH	Total
Markle	Dan		1		1	1		74
Martin	Albaro Gonzalez			1	1		PONY	0
Mathis	Andrew			1	1	1		257
McAnally	Ronald	1			1	1		27
Mendez	Luis			1	1	1		101
Monroe	Sherrie		1		1	1		135
Morfin	Sergio	1			1		1	232
Psarras	Andy		1		1	1		91
Puertas	Jerry			1	1	1		27
Ramirez	Miguel	1			1	1		28
Robbins	Mike		1		1		1	141
Trujillo	Marcelino			1	1	1		79
Truman	Eddie		1		1	1		58
Vaccarezza	Carlo	1			1	1		30
Vallejo	Adriana			1	1		1	163
Zuazo	Ramiro	1			1		1	37
Total		30	22	20	72	55	17	8,676

Horse Racing in California

California Horse-Racing Meets During 2021 Racing Season

Thoroughbred Race Meets — Central & Southern Zones		
Santa Anita Park	12/26/20 – 06/20/21	
Los Alamitos Racing Assn.	06/25/21 – 07/05/21	
Del Mar	07/16/21 – 09/06/21	
Santa Anita Park	11/1/21 – 11/31/21	
Del Mar	11/3/21 – 11/28/21	
Los Alamitos Racing Assn.	12/03/21 – 12/12/21	
Thoroughbred (and Relocated Fair) Race Meets — Northern Zone		
Golden Gate Fields	1/5/21 – 06/13/21	
Golden Gate Fields	07/23/21 – 12/12/21 (Includes relocated fair meet, not continuous due to Fresno)	
Quarter-Horse Race Meets — Statewide		
Los Alamitos	12/26/20 – 12/29/21	
Harness Race Meets — Statewide		
Cal Expo	12/26/20 – 04/24/21	
Cal Expo	11/19/20 – 12/19/21	
Fair Meets — Statewide		
Pleasanton	Alameda County Fair	06/18/21 – 07/11/21
Relocated to Pleasanton	State Fair	07/16/21 – 07/18/21
Vacated dates to Golden Gate	Sonoma County Fair	08/6/21 – 08/15/21
Ferndale	Humboldt County Fair	08/20/21– 08/29/21
Los Alamitos*	Los Angeles County Fair	9/10/21 – 9/26/21
Fresno	Big Fresno Fair	10/08/21 – 10/17/21

* LA County Fair race meet relocated from Fairplex in Pomona to Los Alamitos Race Course in 2014.

Wagers From All Sources (Handle) 2021

Statistics in this report may differ slightly from those released by the racing associations and fairs shortly after their race meets concluded due to updated information on Advance Deposit Wagering (ADW) and non-commingled handle.

Host	Annual Report - Racing Year 2021 (Wednesday, 12/23/2020 through Tuesday, 12/21/2021)												Total						
	Thoroughbred Racing Associations																		
	Del Mar			Golden Gate			Los Alamitos			LATC			Racing Fairs			Night Meets			
	Del Mar Summer	Del Mar Fall (Incl BC)	Del Mar Winter	Golden Gate Summer	Golden Gate Winter	Golden Gate Fall	Los Alamitos Summer	Los Alamitos Winter	Los Alamitos Fall	LATC Summer	LATC Winter	LATC Fall	Big Fresno Fair	Humboldt County Fair	Los Angeles County Fair	Sonoma County @ GG	Watch & Wager Horse	Los Alamitos Quarter Horse	
Cards	31	15	15	133	7	7	78	7	7	7	7	7	6	6	6	9	44	126	
Starters	2,477	1,087	1,087	7,742	409	427	5,087	5,087	5,087	1,153	1,153	1,153	279	232	504	405	3,774	6,923	
Number of Live Races	293	134	134	1,156	61	63	703	703	703	149	149	149	50	43	79	60	511	1,094	
Average field size per race	8.45	8.11	8.11	6.70	6.70	6.78	7.24	7.24	7.24	7.74	7.74	7.74	5.58	5.40	6.38	6.75	7.39	6.33	
Back and Mortar Bets in California																			
On Track:																			
Live Races	40,384,084	25,684,025	4,963,441	1,290,946	1,000,894	1,000,894	19,931,521	19,931,521	19,931,521	8,822,216	8,822,216	8,822,216	1,839,549	447,113	1,173,948	469,471	325,433	7,541,293	
Other California Tracks (Intrastate)	607,152	360,575	2,886,203	244,244	334,139	334,139	2,915,321	2,915,321	2,915,321	1,006,818	1,006,818	1,006,818	248,244	34,741	388,685	319,229	-	-	
Races run outside California	3,889,086	762,272	5,775,952	1,589,934	1,057,946	1,057,946	9,663,516	9,663,516	9,663,516	3,799,454	3,799,454	3,799,454	214,206	18,980	2,046,429	602,631	211,968	3,183,129	
Total	44,880,324	27,006,872	13,625,596	3,125,125	2,392,979	2,392,979	32,510,357	32,510,357	32,510,357	13,627,488	13,627,488	13,627,488	2,301,999	500,834	3,619,062	1,391,230	537,401	10,724,422	
Off Track:																			
Live Races	20,970,542	11,963,611	7,942,884	2,244,918	1,892,683	1,892,683	24,833,467	24,833,467	24,833,467	6,535,418	6,535,418	6,535,418	298,898	215,899	2,189,013	517,833	1,424,882	11,796,008	
Other California Tracks (Intrastate)	4,012,789	2,551,566	42,005,057	809,537	1,423,411	1,423,411	19,337,797	19,337,797	19,337,797	2,014,896	2,014,896	2,014,896	1,803,030	2,669,186	1,435,791	2,965,377	-	-	
Races run outside California	86,160,556	30,372,694	172,980,378	19,519,828	15,791,428	15,791,428	289,206,337	289,206,337	289,206,337	40,419,695	40,419,695	40,419,695	7,461,685	5,644,166	25,704,830	7,913,329	39,215,194	91,499,638	
Total	145,023,543	60,526,769	233,335,734	24,547,783	20,778,969	20,778,969	412,496,316	412,496,316	412,496,316	60,385,233	60,385,233	60,385,233	9,634,494	8,413,312	31,469,043	11,622,025	43,792,254	131,888,033	
Off Track Outside Host's Zone	5,960,510	3,548,225	24,585,295	768,885	675,094	675,094	5,684,577	5,684,577	5,684,577	2,792,090	2,792,090	2,792,090	634,628	334,328	849,768	1,320,882	n/a	n/a	
ADW in California																			
Live Races	54,850,196	27,602,508	18,350,299	4,518,419	3,564,130	3,564,130	103,952,182	103,952,182	103,952,182	17,950,643	17,950,643	17,950,643	369,780	99,960	4,328,422	743,319	4,577,060	40,388,395	
Other California Tracks	4,012,789	2,551,566	42,005,057	809,537	1,423,411	1,423,411	19,337,797	19,337,797	19,337,797	2,014,896	2,014,896	2,014,896	1,803,030	2,669,186	1,435,791	2,965,377	-	-	
Races run outside California	86,160,556	30,372,694	172,980,378	19,519,828	15,791,428	15,791,428	289,206,337	289,206,337	289,206,337	40,419,695	40,419,695	40,419,695	7,461,685	5,644,166	25,704,830	7,913,329	39,215,194	91,499,638	
Total	145,023,543	60,526,769	233,335,734	24,547,783	20,778,969	20,778,969	412,496,316	412,496,316	412,496,316	60,385,233	60,385,233	60,385,233	9,634,494	8,413,312	31,469,043	11,622,025	43,792,254	131,888,033	
Outside Host's zone	13,095,066	7,162,097	28,581,361	1,114,399	788,166	788,166	25,534,942	25,534,942	25,534,942	4,510,606	4,510,606	4,510,606	345,193	173,705	973,954	1,111,541	n/a	n/a	
TOTAL GENERATED IN CALIFORNIA	249,775,396	115,379,453	303,444,674	37,365,511	31,594,422	31,594,422	542,698,217	542,698,217	542,698,217	96,620,789	96,620,789	96,620,789	16,131,746	11,493,533	46,845,457	17,080,089	48,060,853	167,695,740	
Exports to Out of State	295,764,921	226,431,196	218,340,895	16,794,029	14,311,063	14,311,063	516,212,736	516,212,736	516,212,736	101,003,881	101,003,881	101,003,881	4,364,387	1,251,442	15,451,313	6,762,813	24,452,608	97,153,581	
Non Merged	6,129,153	20,211,284	9,160,751	864,000	715,000	715,000	9,487,639	9,487,639	9,487,639	2,438,759	2,438,759	2,438,759	-	-	1,341,000	98,867	-	6,800,000	
TOTAL GENERATED OUTSIDE CALIFORNIA	301,894,074	246,642,480	227,501,646	17,658,029	15,026,063	15,026,063	525,700,365	525,700,365	525,700,365	103,442,640	103,442,640	103,442,640	4,364,387	1,251,442	16,792,313	6,861,680	24,452,608	103,953,581	
TOTAL ON RACES RUN AT HOST TRACK PLUS RACES RUN AT OTHER TRACKS	570,725,046	372,732,255	584,112,975	56,909,823	48,083,735	48,083,735	1,099,618,101	1,099,618,101	1,099,618,101	207,366,126	207,366,126	207,366,126	21,475,954	13,253,009	65,461,492	26,374,193	72,523,460	271,649,321	
TOTAL DISTRIBUTED BY HOST*	551,669,470	362,021,933	530,946,320	55,026,540	46,620,475	46,620,475	1,068,388,582	1,068,388,582	1,068,388,582	200,063,429	200,063,429	200,063,429	20,496,133	12,744,976	63,637,770	23,941,769	72,523,460	271,649,321	

*Excludes CA bets placed outside host's CA zone

Simulcast Facilities by Location

California Simulcast Facility	Total Handle FY 2020-21	Number of Attendees
Bonita 58 Flat	\$ 6,949,038.45	16,203
Cabazon	11,017,257.08	36,899
Commerce Casino	5,617,469.30	16,940
Del Mar	8,741,892.69	10,850
Firehouse Restaurant-Bakersfield	2,415,953.80	8,405
Fresno	5,840,323.80	9,447
Glen Arden	1,810,613.27	2,970
Golden Gate	3,099,178.94	8,969
Hollywood Park	19,125,902.08	49,428
Lake Elsinore Hotel	4,636,093.07	13,068
Lake Perris	7,749,869.25	19,092
Lancaster	3,571,228.12	9,353
Los Alamitos	40,441,798.68	113,499
Monterey	3,300,973.18	9,314
OC Tavern	6,301,470.65	25,813
Ocean's 11 Casino	936	
Pechanga Casino	43	
Pleasanton	4,768,356.91	12,237
Pomona	1,116.00	
Sacramento	11,890,421.41	30,025
Sammy's Restaurant and Bar	23,284,264.82	53,462
San Bernardino	8,214,983.38	21,774
San Jose	2,975,004.19	7,209
San Mateo County	16,560,353.40	32,232
Santa Anita	35,424,557.54	138,701
Santa Clarita Lanes	3,032,474.77	7,023
Santa Maria Original Roadhouse Grill	44	
Santa Rosa	610	
Sports Grill & Turf Club Norco	11,047,079.89	19,432
Stockton	305,802.29	633
Tilted Kilt Thousand Oaks	6,935,492.66	8,260
Vallejo	11,139,319.62	21,617
Ventura	1,207.00	
Victorville	472,578.10	1,186
Viejas	5,604,685.92	13,542
Total	\$272,278,393.26	717,583

Notes: Racetracks that offer simulcast wagering include combined pari-mutuel handle for live racing and simulcast wagering.

All simulcast facilities were affected to various degrees by the pandemic, some with significantly reduced handle and zero attendance.

California Racetracks

The vast horse-racing industry in California includes racetracks that stretch from the Humboldt County Fair near the Oregon border down to Del Mar just north of San Diego and the Mexico border. The racetracks, together with simulcast outlets and Advance Deposit Wagering (telephone and Internet), make horse racing accessible to all of California and the world.

DEL MAR

Highlighting the fall meet at Del Mar, the Breeders' Cup came to California for the 15th time in its 38-year history – the second time at Del Mar – and as usual the races attracted many of the world's best horses. This led to a record handle for the two-day event of \$183,260,127.

The 2021 renewal on November 5 and 6 at the seaside oval had a truly international flair, with two winners coming from Japan and two European-based winners carrying the silks of Dubai interests. Because the Breeders' Cup always attracts entrants from many countries, the organizers consider the event the World Championships.

Attendance for the two days of 47,089 was low by Breeders' Cup standards, but tickets were intentionally limited as a precaution due to COVID-19.

The Breeders' Cup provides a substantial boost to local economies because many of those attending stay in hotels, eat at restaurants, use local transportation, and spend money in other ways. Studies indicate the San Diego County economy saw a boost of \$70 million thanks to the Breeders' Cup.

Total handle (wagering from all sources) for the 15-day fall meet reached \$362,021,933. Because of the Breeders' Cup, the only valid comparison is the 2017 fall meet, when Del Mar hosted the championships the first time. Total handle for that 16-day meet exceeded \$314 million.

Although the fall meet/Breeders' Cup had its own special significance, the traditional 31-day summer meet at Del Mar more than held its own, with total wagering handle of \$564,595,895, up significantly from the \$467,601,528 wagered at the previous year's 27-day meet.

One reason for the impressive 22-percent handle increase was the notably large size of the fields for Del Mar's summer races, with a California-leading average of 8.45 horses per race. More horses, more betting. There were two keys to the track's field-size boost – a 30-percent purse increase announced before the start of the meet and the track's ongoing "Ship & Win" (S&W) program. In 2021 Del Mar further increasing incentives paid to owners of horses sent to California from other states or countries to boost field size through S&W. This incentives strategy was launched by Del Mar in 2011 and has proven so successful that other tracks have created similar programs.

All of this was in contrast to the 2020 summer session, when the pandemic severely limited attendance. "Terrific, simply terrific," said Del Mar CEO Joe Harper. "We had our fans come back this year, and we put on a show of shows for them. The racing was first-rate, the wagering was over the moon, and Del Mar was Del Mar again in all its glory. Special, very special."

After a one-year reduction due to the COVID-19 situation, the Del Mar Thoroughbred Club (DMTC) restored the purse to \$1 million for its signature race, the TVG Pacific Classic.

"Another amazing summer in the books," said Gary Fenton, chairman of the Thoroughbred Owners of California. "A big thank you to DMTC. After months of planning and hard work, they hit a grand slam for us and continue to provide our membership with an incredible racing experience."

GOLDEN GATE

The COVID-19 pandemic delayed the start of live racing at Golden Gate Fields until January 15, 2021, due to a City of Berkeley health order. Beginning in February and continuing for five months until the need was reduced, the Berkeley Public Health Division and its operating partner Curative used the large north parking lot at Golden Gate for priority tier-based vaccinations for Alameda County residents.

Those who work on the backstretch at Golden Gate, who are categorized in the agricultural priority tier, were also eligible to receive the vaccine. In all, more than 970,000 vaccinations were administered at the facility.

"Since the initial COVID-19 outbreak on our campus (in November 2020), we have successfully and sustainably re-

duced COVID-19 transmission to zero, minimized morbidity, and proactively promoted vaccination of our community,” Dr. David Seftel, the track’s physician, said in March. “Thanks to the efforts of the Berkeley Public Health Division and Curative, I am pleased that all of those who work on the backstretch and the employees at Golden Gate Fields have been fully vaccinated.”

Dr. Seftel also spearheaded one of the earliest clinical trials of the use of Fluvoxamine, a generic anti-depressant medication, in treating patients infected with COVID-19. The results of the trial suggest that the cost-effective medication limits the severe symptoms of the virus and helps the patient avoid hospitalization. The study at the track was profiled in early March by CBS’ “60 Minutes.” By the fall of 2021, further international clinical trials backed up the initial premise.

Local health authorities allowed the track to reopen at limited capacity in mid-April.

“Golden Gate Fields remains Northern California’s premier racing venue,” said David Duggan, the track’s general manager. “This was a pivotal year for us, as we not only were able to safely reopen during the pandemic but were able to provide for our community as a good neighbor. The Northern California horse-racing community came together, supported each other, and held together during

this challenging time. The racing this year was top drawer and our horses proved that they could ship from here onto bigger stages throughout the country. Our Tapeta track and our turf festival continue to provide options for horsemen throughout the state and around the country.”



Sam Spear

Peter Tunney

Golden Gate lost two important leaders in 2021. Peter Tunney, who served as general manager for 30 years, died at the age of 83. Sam Spear, the media relations specialist at Golden Gate and for other Northern California racing venues for more than 40 years, died at the age of 72.

Total handle for 133 days of racing at Golden Gate in 2021 totaled \$530,946,320.

THE NORTHERN CALIFORNIA FAIRS

The California Authority of Racing Fairs had to manage race meets during the persistent COVID-19 pandemic in 2021. Due to concerns for horsemen and fairgoers alike, the Alameda County Fair, California State Exposition, Humboldt County Fair, and The Big Fresno Fair worked together to safely and successfully provide horse racing during difficult times.

The Alameda County Fair hosted a five-week race meet with limited attendance. Health authorities allowed for socially distanced events to take place but did not allow for the Alameda County Fair to host a carnival. Handle (wagering) for 13 days of racing totaled \$37,943,215.

In order to assist the State in meeting the Governor’s goal of vaccinating Californians, the California State Fairgrounds (Cal Expo) continued its emergency support role as a designated super COVID vaccination and testing site during the summer of 2021. More than a million Californians have been vaccinated or tested at Cal Expo. Consequently, the annual California State Fair did not take place. One week of the State Fair’s traditional three weeks of racing was moved to Pleasanton and immediately followed the Alameda County Fair meet. Handle for those three days of State Fair racing in Pleasanton totaled \$9,513,679. The other two weeks that had been allocated to the State Fair went to Golden Gate Fields.

The Humboldt County Fair was the first actual fair to take place after COVID-19 prevented such events. Precautionary policies were enacted to maintain a healthy and safe experience for all. The fairgrounds welcomed back fairgoers and racing fans with six days of racing. The Humboldt County Fair saw a strong showing of support and participation from Oregon horsemen. Handle for the meet totaled \$12,744,976.

As one of the later fairs in California, The Big Fresno Fair benefited from the timing of their race meet and the continued work to reopen the economy from COVID-19. The Big Fresno Fair was able to host its meet with high attendance numbers. Handle for six days of racing totaled \$20,496,133.

The Sonoma County Fair vacated its racing dates to Golden Gate Fields. Handle for those six days of racing totaled \$23,842,902. After two years of running at Golden Gate Fields, the Sonoma County Fair expects to conduct its “Wine Country Racing” meet in Santa Rosa in 2022. In the meantime, Sonoma has contracted with a year-round turf manager to upgrade and renovate the course. The fair also has installed a new Duralock safety rail at a cost of \$60,000.

SANTA ANITA PARK

The global COVID-19 pandemic continued to impact the way Santa Anita Park was able to conduct on-track business in 2021. The season began on the longstanding and traditional date of December 26, 2020, but the track remained under large-venue health and safety orders from Los Angeles County health officials, which kept on-track attendance limited to only essential racing personnel for the first few months of the season.

With the county moving into the red tier for large sporting venues on April 1, Santa Anita Park reopened to the general public in a limited capacity in time for the 84th running of the prestigious Santa Anita Derby. Fans were required to purchase tickets in advance of arrival, and all tickets included an assigned seat. Walk-up general admission tickets, popular among racing fans, were prohibited. This policy remained in effect throughout the remainder of the spring-summer season. With COVID-19 numbers declining in the late summer and early fall, the relaxation of county health guidelines allowed for walk-up general admission to resume at the start of Santa Anita's 2021 Autumn season, which began October 1.

While the health and safety of the horse-racing community and the general population took precedence during the year, the attention to the health and safety of the horses themselves continued to be at the forefront of every decision. The modernizing reforms initiated at Santa Anita in 2019, which paid strong dividends in 2020, continued to yield positive returns in 2021. The industry-leading protocols for additional monitoring, early intervention, and improved diagnostics, along with the CHRB regulations overhauling medication rules, provided a statistically safe venue for thousands of horses that raced during the year. The data also recognize Santa Anita Park as one of the country's largest year-round training facilities, with horses annually training over the surfaces more than 370,000 times.

The horse population at Santa Anita, crucial to success, was buoyed by the creation of the "Ship and Win" program in concert with the Del Mar Thoroughbred Club and the Thoroughbred Owners of California. Originally conceived

in late 2020 as the "Sunshine Bonus," the program rewards horses making their first starts from outside of California a bonus on top of the winning purse. It attracted numerous new horses to the circuit, racing for both California-based trainers and other stables that set up shop in the state.

The Autumn racing season saw the return of Santa Anita's unique 6½-furlong downhill turf course. With Santa Anita already offering the most expansive turf program in the country, the addition of the popular European-style course provided horsemen with turf sprints from five to nearly seven furlongs. The downhill Camino Real Turf Course, which was added in the 1950s, was limited to stakes and high-level allowance races.

The year also marked the first one as general manager for longtime Santa Anita marketing executive Nate Newby. Both a lifelong horseman and tournament player, Newby has been embraced by local horsemen and horseplayers alike in his new role, as his background makes him exceptionally suited to bridge both groups.

"Santa Anita has spent the better part of the past two years leading the industry through challenging times," said Newby. "Through the continued cooperation with our industry stakeholders, we have been able to keep our horses, horsemen, employees, and fans safe during a global pandemic while remaining open nearly year-round and continuing to grow our business. We look forward to continuing to lead by example and to welcoming our fans back at full capacity in the year to come."

Wagering (handle) comparisons during pandemic years are not valid as a reflection of business at Santa Anita. Total all-source handle for the early meet in 2021 reached \$1,068,398,582. Bettors wagered \$200,063,42 during the fall meet.

CAL EXPO HARNESS

The year 2021 ushered in some major changes for the California standardbred Industry. Enabling legislation that was passed in 2017 went into affect allowing foals from nominated sires from four states and one Canadian province to compete in the California Sire Stakes program. Nominated sires and ensuing foals from Maine, Minnesota, Iowa, Wisconsin, and the Province of Alberta can all now legally compete in the California program. The pro-

gram has five 3-year-old events, and five 4-year-old events. The program does not race 2-year-olds. A point system has been developed to determine eligibility to each of the \$50,000 finals.

Handle for 44 programs at Cal Expo in 2021 totaled \$72,523,460.

LOS ALAMITOS

Under the leadership of owner Ed Allred, Los Alamitos Race Course conducted its year-round quarter-horse meet and periodic thoroughbred meets in 2021 under the protocols outlined on the track's Equine and Rider Safety Enhancement Plan, which provided for improved implementation, monitoring, and enforcement of practices in the areas of training, pre-race procedures, entry reviews, post-incident assessments, equine illness and recovery, and rules and conditions. The track's equine integrity team, led by equine security consultant Tom Blake, focused on facets of health and safety procedures for each horse and rider participating in racing and training.

Los Alamitos also worked closely with the County of Orange in hosting multiple COVID vaccine clinics for the

track's employees, stable area workers, and Orange County residents. An additional clinic provided COVID, booster, and flu vaccines to employees and stable area workers.

In terms of the racing schedule, Los Alamitos announced on July 9 that racing at the Orange County track would be conducted on a Saturday and Sunday basis – a change from its previous three-night-weekend schedule. The two-night racing week provided for stronger racing cards and more appealing wagering menus.

Handle for 126 nights of quarter-horse racing as Los Alamitos totaled \$271,649,321. Handle for the three daytime thoroughbred/fair meets at Los Alamitos \$165,284,785.

Horse Racing Revenue

Senate Bill 16, which took effect in 2009, eliminated the license fees paid to the state by racing associations. In lieu of license fees, the horse-racing industry is responsible for providing financial support to the CHRB. Each year, the CHRB develops a formula in consultation with the industry. The formula is used to determine the share each racing association should pay toward the funding of CHRB operations. During FY 2020–21, the pari-mutuel handle totaled \$2,968,092,524, and \$15,798,000 was remitted to fund CHRB operations.

CHRB support, purses, track commissions, and other distributions are generated from a portion of the wagering handle referred to as the “takeout.”

The takeout is set by law and is a percent taken from each dollar wagered. The takeouts on conventional wagering (win, place, and show pools) are 15.43 percent for thoroughbred race meets, 17.63 percent for quarter-horse race meets, 17.43 percent for harness race meets, and 16.77 percent for fair race meets.

The takeouts on exotic wagering pools (all pools that are not win, place, or show) are, for thoroughbred race meets, 22.68 percent for wagers involving two runners or legs and 23.68 percent for wagers involving three or more horses or legs; for quarter-horse race meets, 22.88 percent; for fair race

meets, 24.02 percent; and for harness race meets, 24.18 percent.

In general, once the state license fees, breeders and owners awards, equine research, and other mandated amounts have been deducted from the takeout, the remaining funds are divided in a prescribed manner between purses and track commissions.

A pari-mutuel auditor located at each live race meet in California prepares a daily audited report of the precise distribution of the wagering handle. The report is submitted to the CHRB, the racing association, and other interested parties.

Breakage is a term used to describe the monies generated by mathematical rounding during the calculation of winning wagers. After a race is run and the results are made official, the

totalizator system calculates the payout for winning wagers.

The payout for each pool is first calculated on a \$1 amount, which is then used as the basis for paying all winning wagers for that pool.

During the calculation of the \$1 payout, amounts for each pool are rounded down (“broken,” thus the term breakage) to the nearest dime. For example, in calculating a win pool, a \$1 payout of \$2.67 would be “broken” to \$2.60. A \$2 wager on that pool would then return \$5.20.

The 7 cents that is broken for each dollar in the calculation then becomes part of the total breakage for that pool, that race, and that day of racing, etc. Breakage in FY 2020–21 totaled \$7,542,892. State statutes require breakage to be split evenly between purses and commissions.

Charity Days

California horse-racing associations have distributed many millions of dollars to worthwhile charities over the last 70 years. Their donations in the last fiscal year totaled \$140,795.

Business and Professions (B&P) Code section 19550 requires racing associations to contribute a portion of handle to charity. Associations have the option of selecting a number of racing days determined by the length of their racing meet or two-tenths of one percent of the live handle for the entire race meet. B&P Code section 19556(b) also requires that at least 60 percent of the proceeds be distributed to charitable groups within the horse-racing industry. While recognizing the worthwhile nature of all charitable organizations favored by distributing foundations, the CHRB encourages the

foundations to exceed this minimum percentage. On charity racing days, the racing association furnishes the facilities and personnel necessary for the conduct of racing.

The income from all operations of the race meet on charity racing days, less deductions for actual expenses, is dedicated to charitable purposes. The following racing associations distributed funds last year: Del Mar Thoroughbred Club, Los Alamitos Racing Association, Los Alamitos Quarter Horse Racing Association, the Pacific Racing Association, and Watch & Wager.

Uncashed Pari-mutuel Tickets

Winning pari-mutuel tickets can be cashed until May 15 of the year following the year in which the race meet ends. Racing patrons may mistakenly tear up, lose, or forget about winning tickets. After May 15, any unclaimed monies are distributed as indicated below.

Senate Bill 16 went into effect during 2009, eliminating the state's portion of unclaimed tickets pursuant to Business and Professions Code section 19641.

All such unclaimed money resulting from the thoroughbred, harness, or quarter-horse race meets, excluding the race meets of the California Exposition and State Fair, county, district agricultural association, or citrus fruit fair race meets, shall be distributed as follows:

1. Fifty percent of live races unclaimed pari-mutuel tickets shall be paid to a welfare fund established by the horsemen's organization contracting with the association with respect to the conduct of the racing meet for the benefit of the horsemen, and the said organization shall make an accounting to the Board within one calendar year of the receipt of such payment. During FY 2020–21, the distribution to the welfare funds was \$211,796.
2. The other 50 percent of live races unclaimed pari-mutuel tickets shall be divided equally between the association (as commissions) and horsemen (in the form of purses).

Notwithstanding the distribution of live races unclaimed tickets, unclaimed ticket monies generated by wagering on intrastate (north/south) thoroughbred and fair races and interstate imports are split equally between purses and commissions. During FY 2020–21, the tracks and the horsemen each received \$505,392.

3. Unclaimed refunds totaled \$237,746 for FY 2020–21. Unclaimed refunds provide health and welfare benefits to California licensed jockeys, former California licensed jockeys, and their dependents. The California Jockey Welfare Corporation is the organization designated by the CHRB to receive these funds.

4. Cash vouchers that are not redeemed within 365 days of the close of the racing meeting at which the voucher was purchased are distributed to a nonprofit organization for the purposes of maintaining a database of horse-racing information. CHRIMS is the organization designated by the CHRB to receive these funds. During calendar year 2019 uncashed vouchers totaled \$651,923.

Statement of Distribution by Fund of Horse Racing Revenue

July 1, 2020 through June 30, 2021

	Detail	Total
Revenue To Horse Racing Fund		
CHRB Support from Racing Associations	\$16,820,000	
Miscellaneous Income	475	
Income from Surplus Money Investment Fund	12,567	
Escheat of Unclaimed Checks, Warrants	975	
Total 3153 Fund		\$16,834,016
Revenue To General Fund (0001)		
Occupational Licenses	\$415,884	
Fines & Penalties	115,875	
Miscellaneous Income	1,144	
Total Fund 0001		\$532,904
Revenue to Horse and Jockey Safety and Welfare Account (3380)		
Occupational Licenses	\$438,340	
Fines & Penalties	51,500	
Miscellaneous Income	162	
Total Fund 3380		\$490,002
Revenue to CA Veterinary Diagnostic Laboratory (0881)		
Equine Research License Fees	\$1,691,087	
Total Fund 0881		\$1,691,087
Total Revenue		\$19,548,009

Occupational Licenses and Fees July 1, 2020— June 30, 2021

Type of License	Fees Range	Issued
Stable	\$100-300	371
Horse Owner-Open Claim	250	11
Officer/Director/Partner	150-200	96
Horse Owner	150-200	2,953
Trainer, Assistant Trainer	50-150	251
Harness Horse Driver	150	16
Jockey/Apprentice Jockey	50-150	83
Jockey Agent	150	24
Bloodstock Agent	150	6
Veterinarian	150	35
Association Employee	75	258
Valet/Custodian/Attendant	75	17
Pari-mutuel Employee/Tote	35-75	288
Horseshoer	75	28
Exercise Rider/Pony Rider	25-75	255
Misc. Employee/Stable Agent Vendor	35-75	199
Security Guard	75	62
Stable Foreman	35-75	86
Authorized Agent	25	423
Replacement License	15	169
Annual Groom/Stable Employee (Original)	35	339
Annual Groom/Stable Employee (Renewal)	20-35	1,427
Total licenses issued		7,397

All licenses are issued for three years except those for groom and stable employee licenses, which are annual licenses.

Other Public Revenue

Horse racing contributes to local economies through sales tax from the sale of claimed horses. During FY 2020–21, there were 1,177 horses “claimed” at authorized race meets.

The “claiming” of a racehorse is in effect a sale of the horse at a designated price (as established by the conditions of the race) to a qualified person who submits a “claim” for the horse at least 15 minutes prior to the race in which the owner of the racehorse established the competitive value of the horse.

For example, in a claiming race where the claiming price is established by the racing secretary as \$10,000, an owner of a horse may enter the horse in the race if willing to lose the horse to another owner (or qualified person) for the price of \$10,000.

An owner who over-values the horse will find competition in the race too severe and will not win a purse — but probably retain the horse; the owner who under-values the horse

may well win a purse — but in all probability lose title to the horse to a successful claimant. Thus, it is the owner who establishes the true competitive value of a horse in a claiming race.

Inasmuch as the claim of a horse is in fact a purchase, state sales tax is collected on the amount of the claim. During FY 2020–21, the total amount paid for claiming of horses was \$17,990,900, resulting in sales tax revenue of \$1,686,106.

Business and Professions Code 19610.3 authorizes every racing association or fair to permanently elect to deduct up to 0.33 of one percent from all pari-mutuel pools and to distribute the amounts to the city or county where the racing meet is held if the city or county passes an ordinance to accept such fees in lieu of admission taxes and license fees.

During FY 2020–21, \$879,000 was distributed to local governments under this provision.

Track Commissions

Under the system known as pari-mutuel wagering, the racing association acts as the stakeholder for all wagers, deducting from each pari-mutuel wagering pool the statutory “takeout,” which includes the state license fee, the per-

centage deduction for purses, and the track’s commission. Commissions retained by California racing associations during FY 2020–21 totaled \$97,665,091.

Purses

As with track operators’ commissions, the purses for race meets are determined by the rate schedules, or in some cases, by agreement with the racing association.

Purses for California race meets during FY 2020–21 totaled \$112,610,646. In addition, \$8,790,903 was paid out as California-bred incentives.

In order for the individual racing associations to establish their daily purse structure for their race meets, the associations must first make a projection of the amount of pari-mutuel wagers they expect to handle.

The actual purses to be paid for any one race, or for the day’s races, initially are determined by the racing secretary’s projections of handle, and then revised during the course of the race meet based on actual handle. The racing association must also execute an agreement with the respective horsemen’s organization representing the horsemen at each race meet in order to establish the percentage of the total purses that may be used for stakes races.

Statistics For Horses Claimed

July 1, 2020 to June 30, 2021

Track Location	Horses Claimed	Amount Paid	Sales Tax
Thoroughbred Race Meets — Northern			
Golden Gate	397	\$3,870,900	\$357,480
Thoroughbred Race Meets-Central-Southern			
Del Mar	149	\$4,042,000	\$353,675
Los Alamitos	6	72,000	5,580
Santa Anita	268	7,377,750	756,219
Harness Meets-Statewide			
Watch & Wager	11	\$61,000	\$5,338
Quarter-Horse Meets-Statewide			
Los Alamitos	249	\$1,495,900	\$115,932
Fair and Mixed Meets-Statewide			
Pleasanton	35	\$336,850	\$31,159
State Fair @ Pleasanton	35	253,250	23,426
LACF @ Los Al.	27	481,250	37,297
Total	1,177	\$17,990,900	\$1,686,106

Authorized Horse Sales

Each year the CHRB authorizes sales for racehorses or breeding stock used in the production of racehorses when such sales are conducted on the premises of a racing association. During FY 2020–21, there were five authorized sales. Prospective purchasers may review the reported medication record of any horse offered for sale, and purchasers of a horse may request a verifying blood test for horses bought.

The following sales were authorized in FY 2020–21:

Fasig-Tipton

Los Alamitos Yearling Sale October 19, 2020

Fasig-Tipton sold 226 horses for a total of \$6,897,700, which generated \$303,062 in sales tax.

Fairplex Park Mixed Sale June 23, 2021

Fasig-Tipton sold 226 horses for a total of \$6,897,700, which generated \$303,062 in sales tax.

California Thoroughbred Breeders Association Sales

Nor-Cal Yearling Sale and
Horses of Racing Age August 11, 2020

January Mixed Sale January 6, 2021

A total of 140 horses was sold for \$924,200, which generated \$64,396 in sales tax.

Quarter-Horse Sales At Los Alamitos

Los Alamitos Equine Sale October 3, 4, 2020

A total of 238 horses was sold for \$5,160,800, which generated \$97,545 in sales tax.

California Horse Breeding Programs

The Horse-Racing Law provides incentives for the breeding and owning of California-bred horses. A principal and explicitly stated intent of the law is to encourage agriculture and the breeding of horses.

Every association licensed to conduct a horse-racing meet in California must provide, each racing day, for the running of at least one race limited to California-bred horses, provided those races can attract a sufficient number of qualified entrants.

The breeder of a California-bred horse receives a monetary award based on the order of finish for horses finishing in the first three places. A further incentive to own a California-bred horse is provided by owners premiums. Business and Professions Code section 19611 (d) allows for 0.07 percent of the takeout to be distributed as owners premiums to persons owning California-bred horses.

Additionally, stallion awards are issued to owners of qualified thoroughbred stallions standing in California whose progeny win races in California having a certain qualifying gross purse. A breeders award is also paid for a California-bred thoroughbred when the horse wins a graded stakes race outside the state.

These California breeders programs and distribution of awards and premiums are administered by the recognized California breeders organizations of the various breeds.

Thoroughbred Breeders Program

The California Thoroughbred Breeders Association (CTBA) administers the California-bred awards, owners premiums, and stallion awards for thoroughbreds. In addition, the CTBA supervises the California-bred race fund, which has supplemented the very successful California Cup Program each year since 1990. This fund generated \$174,497 for owners premiums in FY 2020-21 and \$8,304,789 for the breeders program from the wagering handle.

At California thoroughbred race meets, the amount of 0.54 percent on track and 0.54 percent off track of all pari-mutuel pools is deducted as takeout and transferred to the CTBA for distribution. A further amount equal to 0.07 percent of the handle is specified for owners premiums and transferred to the CTBA for distribution. The CTBA is authorized to deduct five percent for administrative overhead and expenses, including education, promotion, and research.

Standardbred Breeders Programs

The California Standardbred Sires Stakes Committee, Inc., a California non-profit public benefit corporation, administers the Standardbred Breeders Program. The Sires Stakes Committee is authorized to deduct expenses (not to exceed four percent of funds generated) for administering the Standardbred Breeders Program. The program is funded from the breakage at harness race meets and an additional one percent takeout on all exotic wagering at harness race meets. In FY 2020-21, the program generated \$165,152.

Quarter-Horse Breeders Program

Pacific Coast Quarter Horse Racing Association, as the recognized breeders organization, received \$318,038 from the pari-mutuel handle to fund its program in FY 2020-21. The source of these funds was 0.48 percent of the on-track and 0.48 percent of the off-track handle on quarter-horse racing at the fair race meets, 0.4 percent of the handle at quarter-horse race meets, and a proportional payment of the monies required by the state, the association, and the horsemen.

Paint Breeders Program

The Paint breeders awards received \$911 for the breeders program in FY 2020-21. No Paints ran in California. This revenue came from ADW wagers.

Arabian Breeders Program

The California Arabian horse breeders awards received \$1,989 for the program during FY 2020-21.

Mule Breeders Program

California did not host any mule breed races during FY 2020-21.

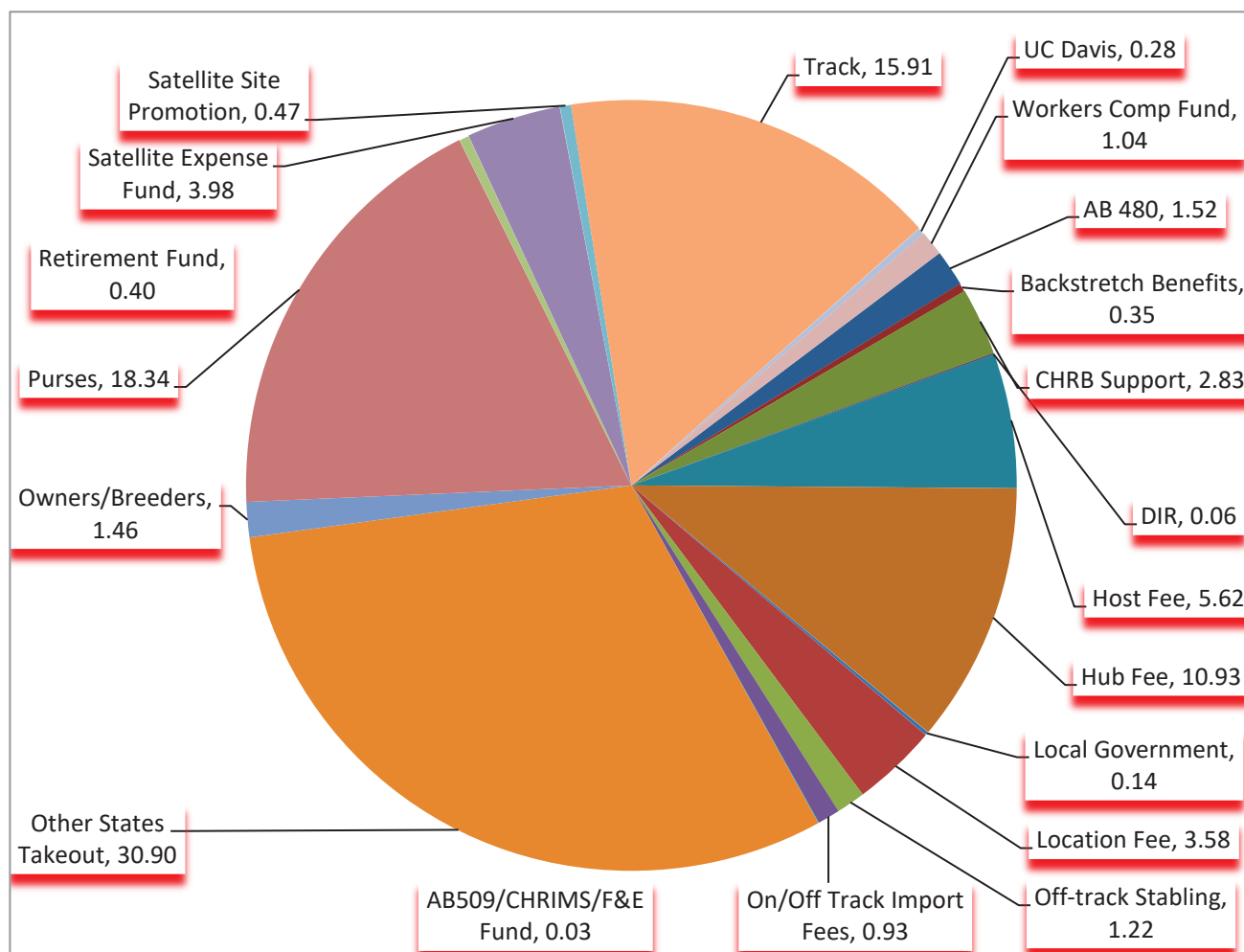
Appaloosa Breeders Program

California did not host Appaloosa breed races during FY 2020-21.

The Revenue Stream

The Takeout Dollar in California: Where It Goes and How It's Used

A total of \$2,968,092,524 was wagered by fans of California racing during FY 2020-21, and of the money, 79.31 percent (\$2,354,073,384) was returned to winning ticket holders. The pie chart below shows the division of each revenue dollar by percentage to the appropriate entities.



Due to restricted attendance in FY 2020-21 because of the pandemic, “on-track” bets made up only 1.69 percent of wagers placed (\$50.21 million). Off-track betting within the state provided 7.48 percent of the handle (\$222.06 million). The balance came from out-of-state and Advance Deposit Wagers (totaling \$2.21 billion). ADW accounted for \$1,685,118,848 of the handle, more than usual because the pandemic did not affect Internet and phone wagering.

Patrons failed to cash \$1.22 million

worth of winning tickets, again a lower number because there are no uncashed tickets via ADW. By law, money from uncashed tickets, except for fairs, is split evenly between a welfare fund for the benefit of the backstretch. Money from uncashed tickets at fairs is turned over to the General Fund.

Similarly, money from unredeemed vouchers issued by tracks for use by racing patrons at track self-serve better machines is used to finance the horse-racing revenue database called the California Horse Racing

information Management System (CHRIMS). Breakage, a byproduct of the pari-mutuel calculation, is distributed evenly between purses and the racing associations. This totaled \$8,814,107 in FY 2019-2020.

Of the \$2.97 billion wagered, \$614.01 million, or 20.69 percent, was withheld as the “takeout” for such purposes as horsemen’s purses, racetrack operations, and government taxation, as follows on the next page:

Horsemen's Purses

A total of \$112,610,645 was distributed during FY 2020–21 in the form of purses. This money went to the owners of the horses, the jockeys, the trainers, and, through them, to the backstretch employees.

Portions of the purse money also went to organizations that represent owners and other horsemen.

Track Commissions

The racetracks and fairs that host the racing programs collected a total of \$97,665,091 in commissions. Much of that money went toward the cost of operations, such as rent, mortgages, and labor costs, of which pari-mutuel clerks represent a large part. The racetracks are also responsible for marketing the sport with advertising, promotions, and other forms of publicity.

CHRB Support

The allocation of the CHRB budget comes from the horse-racing industry through the yearly budget process conducted by the State Legislature. This allocation is used to fund the CHRB's mission of overseeing the horse-racing industry on behalf of the state and the California public.

Incentive Awards

One of the most important uses of horse-racing revenue is for incentive awards, which promote the agricultural program in California by encouraging horse breeding. Last year \$8,790,902 in awards were divided between programs for thoroughbreds, standardbreds, quarter horses, paints, and Arabians.

Local Government

For those local municipalities who elect to participate, an additional 0.33 of one percent is withheld from the handle to reimburse communities for costs incurred due to traffic control, security, and other expenditures resulting from horse-racing events. Last year \$879,143 was withheld for this purpose.

Host Fees

Host fees are negotiated for mandated payments to producers of live horse racing imported by tracks via satellite and offered to the betting public in conjunction with a California track's live racing program. Last year, California tracks paid \$34,528,909 to out-of-state hosts.

Interstate Wagering Fees

Interstate wagering fees are "takeout" deductions from wagers made on California racing by patrons at off-track betting systems outside of California. These deductions in other states amounted to \$189,747,737.

Equine Research

A mandated deduction goes to UC Davis for equine research. Last year the total for equine research was \$1,691,087.

Simulcast Fees

Simulcast fees are deducted from the off-track handle at California simulcast facilities and are distributed in proportion to each facility's handle. This revenue goes to the Stabling and Vanning Fund to offset the cost of off-site stabling and transporting horses to the track, the Promotion Fund to be used for the promotion of horse racing, the Expense Fund for the purpose of offsetting the costs of simulcast broadcasting, and to guest-site commissions. A guest site is the term used for an authorized off-track betting system, or simulcast facility, that is an authorized recipient of a live horse race.

These funds received a total of \$56,726,006 last year:

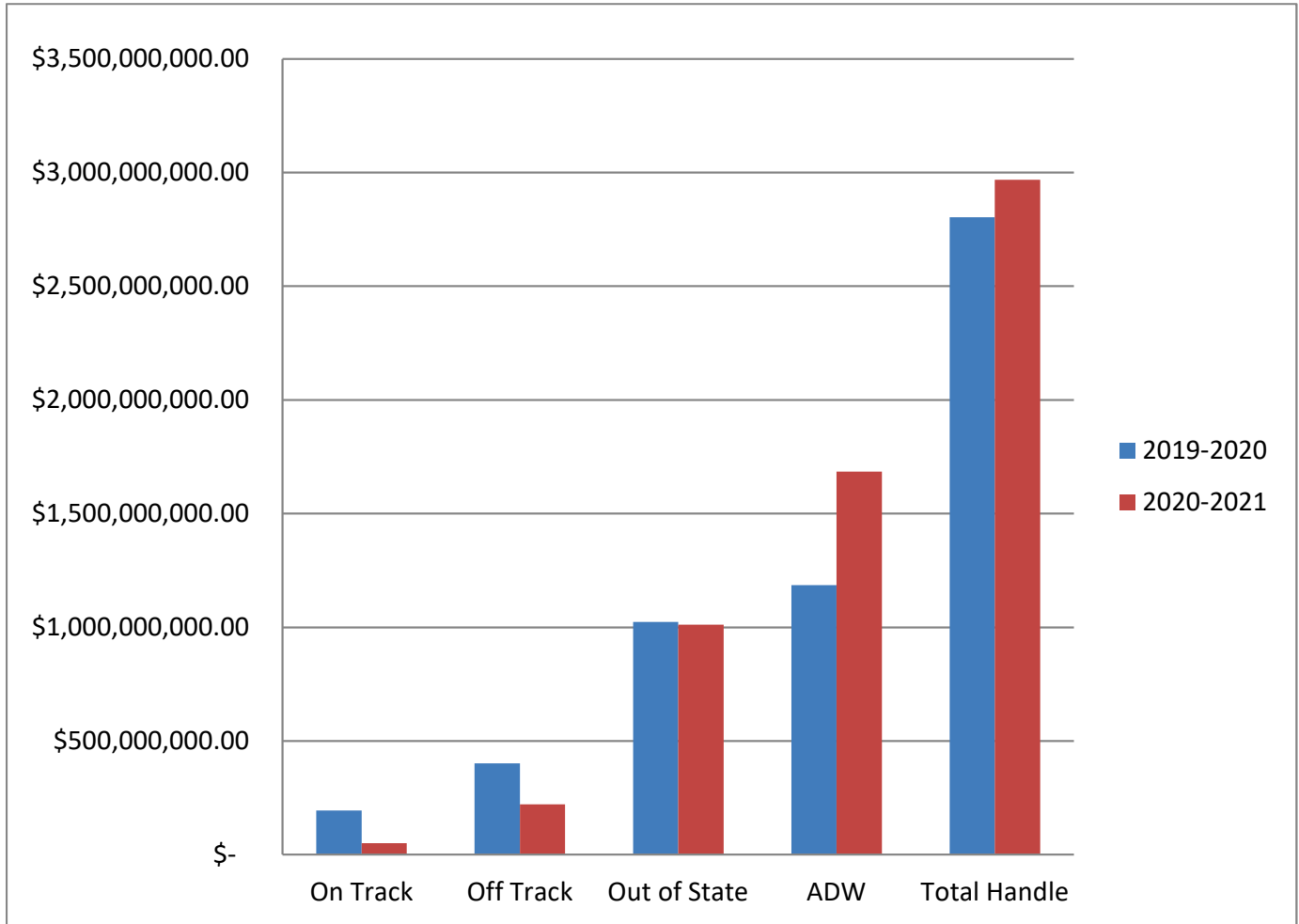
Stable and Vanning Fund:	\$7,493,105
Promotion Fund:	\$2,859,897
Expense Fund:	\$24,416,731
Guest Site Fees:	\$21,956,272

Retirement and Welfare

ADW Retirement and Welfare Plans received \$4,641,916 in FY 2020–21. These funds supplement the backstretch personnel pension plan and provide welfare benefits for horsemen and backstretch personnel.

Sources of Handle

Fiscal Years 2019–20 and 2020–21



The on-track handle represents wagers at the host track. For FY 2020–21, on-track wagers accounted for 6.1 percent of the total handle. Off-track handle represents wagering at California simulcast locations and accounted for 14.30 percent of the total. Out-of-state handle represents commingled wagers from other U.S. and international sites. Out-of-state wagers accounted for 36.50 percent of the total. Advance Deposit Wager (ADW) represents the handle generated through seven licensed California ADW companies. The ADW handle accounted for 42.30 percent of the total.

The Horsemen's Organizations Welfare Funds

The Horse-Racing Law provides that 50 percent of the unclaimed redistributable money in pari-mutuel pools (uncashed pari-mutuel ticket amounts) resulting from thoroughbred, harness, or quarter-horse race meets be paid to the welfare fund established by the horsemen's organization contracting with the association for the conduct of the race meet for the benefit of horsemen. These funds are registered with the Office of the Attorney General, Registry of Charitable Trusts. The three horsemen's organizations have established and maintain the following welfare funds:

The California Thoroughbred Horsemen's Foundation, Inc.

P. O. Box 660129
Arcadia CA 91006
Registry of Charitable Trusts
No. 052861

Quarter Horse Benevolent Charity Foundation

11278 Los Alamitos Blvd., Suite 243
Los Alamitos, CA 90720
Registry of Charitable Trusts No. 018221

California Harness Horsemen's Benevolent Foundation

1600 Exposition Boulevard. Gate 12
Sacramento, CA 95815
Registry of Charitable Trusts No. CT0202834

Each of the foregoing welfare funds have a state tax-exempt status under the provisions of section 23701 of the Revenue and Taxation Code.

The California Horsemen's Organizations

The CHRB determines the organizations to represent California horsemen with respect to each breed.

The following horsemen's organizations were recognized by the Board during FY 2020–21: Thoroughbred Owners of California for thoroughbred owners; California Thoroughbred Trainers for thoroughbred trainers; California

Harness Horsemen's Association for harness horsemen; Pacific Coast Quarter Horse Racing Association for quarter horsemen; and the Arabian Racing Association of California for Arabian horsemen.

Audited Expenses of California Horsemen's Organizations

The information regarding the expenditures of these organizations is only one portion of the total audited financial statements submitted to the CHRB. Persons wishing to

obtain a copy of the complete audited financial statements of a horsemen's organization can do so by contacting the CHRB's headquarters office in Sacramento.

Audited Financial Statements of California Horse-Racing Industry

Pursuant to Business and Professions Code Section 19440.5 and requirements outlined in the license application, the CHRB requires recognized industry participants receiving statutory distributions from the takeout to annually file audited financial statements. The table below lists those organizations and their most recent statements received by the CHRB.

Horsemen's Associations	Last Audit Report
Pacific Coast Quarter Horse Racing Association	2020
American Mule Racing Association (did not run in 2020)	2019
California Thoroughbred Horsemen's Foundation, Inc.	2020
California Harness Horsemen's Association	2020
Thoroughbred Owners of California	2020
California Thoroughbred Trainers	2020
California Thoroughbred Breeders Association	2020
Administrative Funds	
CHRIMS	2020
California Thoroughbred Business League	2020
Northern California Off-Track Wagering (NCOTWINC)	2020
Southern California Off-Track Wagering (SCOTWINC)	2020
California Thoroughbred Trainers Inc. Backstretch Employees' Cash Balance Pension Plan	2020
California Jockeys' Welfare Corp	2020
CHRB Defined Contribution Retirement Plan for California Licensed Jockeys	2020
Quarter Horse Benevolent Charity Foundation	2020
California Standardbred Sires Stakes Committee*	2019
California Harness Horsemen's Benevolent Foundation	2020
Northern California Auxiliary Vanning and Stabling Fund	2020
Southern California Stabling and Vanning Fund Trust	2020
Racing Associations	
Golden Gate Fields (Pacific Racing Association)	2020
Del Mar (Del Mar Thoroughbred Club)	2020
California Authority of Racing Fairs (CARF)*	2019
Santa Anita Park (Los Angeles Turf Club, Inc.)	2020
Los Alamitos Quarter Horse Racing Association (Quarter Horse Racing, Inc. & Subsidiaries)	2020
Los Alamitos Racing Association (Quarter Horse Racing, Inc. & Subsidiaries)	2020
Cal Expo (WatchandWager.com, LLC)	2020

*Pursuant to Business and Professions Code section 19613.2 (c) the Board may take disciplinary action against a horsemen's organization that is not in compliance with filing annually with the CHRB its audited financial statements.