CALIFORNIA HORSE RACING BOARD

2025 LAWS AND REGULATIONS

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
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CALIFORNIA HORSE RACING BOARD
2025 LAWS AND REGULATIONS BOOK

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TITLE 4, DIVISION 4, ARTICLE 1. RACING BOARD POWERS AND JURISDICTION

1400. Powers Reserved.
All powers of the Board not specifically defined in these rules and regulations are reserved to the Board.

NOTE:
Authority cited: Article IV of Section 19b, California Constitution and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.

1401. Jurisdiction.
The jurisdiction of the Board over matters covered by law or the rules is continuous throughout the year.

1402. Controlling Authority.
The law, rules, and orders of the Board supersede the conditions of a race or race meeting and govern thoroughbred, harness, quarter horse, appaloosa, arabian, paint and mule racing. The stewards may enforce rules or conditions set forth by breed registry organizations if such rules or conditions are not inconsistent with the rules of the Board. The breed registry organizations are the Jockey Club for thoroughbred racing, the United States Trotting Association for harness racing, the American Quarter Horse Association for quarter horse racing, the Appaloosa Horse Club for appaloosa racing, the Arabian Horse Registry of America for arabian racing, the American Paint Horse Association for paint racing, and the American Mule Association for mule racing.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19562, 19563, 19564 and 19703, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 3-24-92; effective 4-22-92.
3. Amendment filed 12-23-96; effective 1-22-97.
4. Amendment filed 10-14-04; effective 11-13-04.

1405. Punishment by the Board.
Violation of any provision of this Division, whether or not a penalty is fixed therein, is punishable in the discretion of the Board by revocation or suspension of any license, by fine, or by exclusion from all racing inclosures under the jurisdiction of the Board, or by any combination of these penalties. The Board may independently punish any misconduct of any person connected with racing.

NOTE:
Authority cited: Sections 19420, 19440, 19562, 19572 and 19703, Business and Professions Code.
Reference: Sections 19460, 19461, 19517, 19661 and 19702, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 4-16-02; effective 5-16-02.

1406. Suspension of Rule.
For good cause, with or without a hearing, the Board may temporarily suspend the application of any of its rules upon any conditions it may impose. Every application for such action and any such action by the

Board shall, insofar as possible, be in writing. If not in writing, it shall be confirmed in writing as soon thereafter as possible.

1407. Extensions for Compliance.

If a licensee fails to perform an act, or obtain required action from the Board, within the time prescribed therefor by these rules, the Board, at some subsequent time, may allow the performance of such act or may take the necessary action with the same effect as if the same were performed within the prescribed time.

1413. Notice to Licensee.

Whenever notice is required to be given by the Board or the stewards, such notice shall be given in writing either by personal delivery to the person to be notified or by mailing such notice addressed to such person at his address as on file with the Board.

1414. Appointment of Referee.

When directed by the Board, any one commissioner, the Executive Director, any hearing officer assigned by the Office of Administrative Hearings or any other qualified person may sit as referee for the taking of evidence in any matter pending before the Board; any such referee shall report to the Board outlining all findings and the Board shall determine the matter as if such evidence had been presented to the full Board.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 6-7-94; effective 7-7-94.

1415. Public Participation at Meetings.

During meetings of the California Horse Racing Board (Board) subject to the Bagley-Keene Open Meeting Act (Government Code 11120 et. seq.), the following rules regarding public participation apply:

(a) Time.
  (1) A member of the public will have two minutes to speak per agenda items and two minutes to speak during the general public comment period.
  (2) A member of the public who requires translation or interpretive services will have four minutes to speak per agenda item.
  (3) The Chairperson may limit the amount of time members of the public are allocated for individual comments to less than two minutes per agenda item if the number of commenters wishing to speak would otherwise exceed 30 minutes per agenda item.
  (4) A member of the public may not transfer his or her unused time for public comment to another member of the public.
  (5) Any member of the public who does not receive the opportunity to speak due to the expiration of the allocated time set forth in subdivision (a)(3) may submit comments in writing during the meeting. To be included as an addendum to the public Board materials packet, written comments must be limited to items listed on the agenda or within the Board's jurisdiction and be provided to a designated staff member.

(b) Rules of Organization and Order.
  (1) In order to provide public comment as set forth in subdivision (a)(1) or (a)(2), a member of the public is encouraged, but not required, to submit a request to provide public comment that includes their name, the agenda item number, and the topic they wish to address. Completed public comment requests should be submitted to a designated staff member prior to the start of

the public comment period. Speakers will be called in the order in which the public comment requests are received unless otherwise grouped or organized by topic and/or organization.

(2) A speaker shall address only the Board during public comment and shall not direct comments at other members of the public in attendance.

(3) A speaker shall yield the floor to any member of the Board who wishes to ask a question or otherwise speak during the speaker's comment.

(A) If a member of the Board wishes to speak to a commenter or ask a clarifying question, the two minutes allowed for the public comment will be paused and additional time will be granted to the speaker to respond to the Board member.

(4) A speaker shall limit comments to the subject matter of the agenda item being heard or, if commenting during the general public comment period, to matters that are subject to the Board's jurisdiction.

(5) A member of the public may not disrupt any other attendee(s) from viewing, hearing, or participating in any portion of the meeting.

(6) A member of the public shall not bring signs, flags, banners, exhibits, marquees, or other demonstrative objects into the meeting room. A member of the public may carry and/or display paper materials no larger than an 8.5 x 11 inch sized paper in the meeting room, provided that such paper materials are displayed below shoulder height, and do not otherwise obstruct the view of any other attendee(s).

(7) The Chairperson may require a member of the public to leave the meeting, or limit that individual's opportunity to provide public comment, if that individual purposely violates this Regulation or otherwise purposefully disrupts or otherwise impedes the orderly conduct of the meeting. Prior to removal or limiting the individual's public comment, the Chairperson shall notify the person that they have failed to comply with meeting procedures, request that they comply, and inform them of the consequences of non-compliance.

NOTE:
Authority cited: Sections 19440, Business and Professions Code.
Reference: Sections 11121 and 11125.7, Government Code.

HISTORY:
1. Amendment filed 4-7-22; effective 7-1-22.

TITLE 4, DIVISION 4, ARTICLE 2. DEFINITIONS

1420. Definitions.

As used in these rules:
(a) "Chairman" means the member elected by the Board to be Chairman of the Board and its presiding member.
(b) "Commissioner" means a member of the Board.
(c) "Age of Horse" means the age as reckoned beginning on the first day of January of the year in which the horse was foaled.
(d) "Authorized Agent" means an agent appointed by a written document which is signed by the owner and filed with the Board.
(e) "Breeder" means the owner of the dam at the time of foaling.
(f) "Conviction" includes a plea of guilty, forfeiture of bail, a judgment or verdict of guilty, or a conviction following a plea of nolo contendere, whether or not the conviction is later set aside pursuant to the provisions of Section 1203.4 of the Penal Code.
(g) "Driver" means one who drives and controls the horse from a seated position on a two-wheel vehicle.
(h) "Horse" means an equine and includes a stallion, gelding, mare, colt, filly or ridgling and includes

mule, jack, jenny, ginnet, and hinney.
(i) "Jockey" means a race rider.
(j) "Licensee" means a licensee of the California Horse Racing Board.
(k) "Maiden" means a horse that has never won a race on the flat in a state or country where the races are covered by the Daily Racing Form or other similar authorized publication. A maiden that has been disqualified after finishing first is still a maiden. Conditions referring to maidens apply to the status at the time of starting.
(l) "Nominator" means a person in whose name a horse is entered to race.
(m) "Objection" means a formal complaint filed before a race with the stewards or the Board objecting to the eligibility of any horse to compete in the race or the right of any person to participate in the race.
(n) "Owner" includes the owner, part owner and lessee of any horse. An interest only in the earnings of a horse does not constitute ownership. If husband and wife, it is presumed that joint ownership exists.
(o) "Post" means the place on the race course from which a start is made.
(p) "Post Time" means the definite time for the start of a race, and is indicated by a clock device set up as directed by the Board.
(q) "Premises" means the inclosure and all other areas collectively utilized by an association in connection with its conduct of a licensed race meeting, including parking lots, auxiliary stabling areas, public inclosure and restricted areas, whether or not the areas are adjacent to the inclosure.
(r) "Protest" means a formal complaint filed after a race with the stewards or the Board protesting the right of any horse to a place, purse or award in the race, or protesting any decision of the stewards relating to the eligibility, participation or placing of any horse in a race.
(s) "Race" means a contest among horses for a purse, stake or reward, contested at an authorized race meeting. "Race" includes but is not limited to:

(1) Purse Race. A race for money or any other prize to which the owners of the horses engaged do not contribute.

(2) Stake Race. A race for which owners of horses entered or engaged for the race contribute to a purse for which money or any other prize may be added, nominations to which close 72 hours or more before starting.

(3) Claiming Race. A race in which any horse entered therein may be claimed in conformity with the rules established by the Board, except for horses declared ineligible for claiming under Rule 1634 of this division.

(4) Handicap Race. A race in which the weights to be carried by the entered horses are adjusted by a handicapper, board of handicappers or the racing secretary, to equalize their respective chances of winning.

(5) Overnight Race. A race in which entries close 72 hours or less, excluding Sundays, in advance of the first race of the day on which the race is to be run.

(6) Walkover. A stake race in which only one horse starts or in which all the starters are owned by the same interest.

(7) Invitational Stake Race. An invitational stake race or an invitational handicap race for which owners do not contribute to the purse, but which is advertised in the regular stakes program, shall also be considered a stake race.

(8) Non-wagering Race. A race contested without pari-mutuel wagering on its results including a race upon which pari-mutuel wagering is canceled.

(9) Match Race. A race contested between two horses under conditions of the contest agreed to by their owners.

(10) “Special Racing Event.” A race of unique interest, magnitude or fame. “Special racing event” shall also mean an exhibition race when approved by the Board.

(11) "Exhibition Race". A race contested under conditions established by the association as a promotional event or to provide a special racing opportunity to a particular horse or class of horse or class of participants and to which the association contributes the purse or awards for the contest. No pari-mutuel wagering may be conducted on the results of an exhibition race.

(t) "Race on the Flat" means a race run over a course on which no jumps or other obstacles are placed.
(u) “Recognized Meeting,” “Race Meeting,” or “Authorized Meeting” means the entire period under the conduct of an association within the inclosure of the designated grounds, and for which the Board has granted a license. When the context in the rules applies, it may include a meeting conducted by an association in some other jurisdiction recognized by the Board.
(v) “Regulatory Veterinarian” means Official Veterinarian or Racing Veterinarian, as defined by Rule 1560 and Rule 1561, respectively, or the veterinarian responsible for monitoring during morning training pursuant to Business and Professions Code section 19583.9.
(w) "Restricted Area" means those areas within the inclosure where admission can be obtained only upon presentation of authorized credentials, proper license or visitor's pass, including those areas designated as the stable area, receiving or detention barn, jockey room, saddling paddock, race course and pari-mutuel department.
(x) "Rules" means the Rules and Regulations of the California Horse Racing Board and the orders of the Board.
(y) "Starter" means a horse when it is in the starting gate stall, and, when the starter dispatches the field, the stall gate in front of the horse is opened.
(z) "Sulky" means a dual wheel racing vehicle with dual shafts not exceeding the height of the horses withers. Shafts must be hooked separately on each side.
(aa) "Time of Race Meeting" means that period of time commencing at 12:01 A.M. on the first day of racing at a recognized meeting and concluding at 12:00 midnight after the final race of the last day of racing as allocated and licensed by the Board.
(ab) "Weight for Age" means the standard weight to be carried by a horse according to the scale established by the rules, and remains such though there be penalties or allowances.

NOTE:
Authority cited: Sections 19440, 19562, 19563 and 19583.9, Business and Professions Code.
Reference: Sections 19401 and 19420, Business and Professions Code.

HISTORY:
1. Amendment filed 8-3-79; effective 9-2-79.
2. Amendment filed 4-21-83; effective 5-21-83.
3. Amendment filed 6-23-94; effective 7-23-94.
4. Amendment filed 12-6-99; effective 12-6-99.
5. Amendment filed 8-21-08; effective 9-20-08.
6. Amendment filed 5-11-23; effective 7-1-23.

TITLE 4, DIVISION 4, ARTICLE 3. RACING ASSOCIATION

1430. Allocation of Racing Weeks and Dates.

The Board shall allocate racing weeks and dates for the conduct of horse racing in this State for such time periods and at such racing facilities as the Board determines will best subserve the purposes of the Horse Racing Law and which will be in the best interests of the people of California in accord with the intent of the Horse Racing Law. Upon a finding by the Board that the allocation of racing weeks and dates for any racing year is completed, the racing weeks and dates so allocated shall be subject to reconsideration or amendment only for conditions unforeseen at the time of the allocations. The allocation of racing weeks and dates does not commit the Board to the granting of a license to conduct a horseracing meeting to any specific racing association nor for the allotted time period nor at the racing facility scheduled for such racing weeks and dates.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.

Reference: Section 19530, Business and Professions Code.
HISTORY:
1. Amendment filed 8-28-80; effective 9-27-80.

1431. Notice of Intention to File for License.
Every person who has not held a license to conduct a horseracing meeting in the preceding year who intends to file an application to conduct an authorized race meeting and/or an application for license to conduct a horseracing meeting shall file with the Board a Notice of Intention to file such applications. The required notice of intention shall be filed no later than one hundred twenty (120) days in advance of the proposed or scheduled date for the commencement of the meeting intended to be specified in the application for license. Any prospective applicant for license to conduct a horseracing meeting failing to file timely the notice of intention may be disqualified and its application for license refused summarily by the Board. In the absence of any timely notice of intention filed by a prospective applicant intending to file an application for a license for a race meeting conducted in the preceding year by any other person the presumption shall be that the person having held the license to conduct the horseracing meeting in the preceding year is deemed to have been allocated the racing weeks and dates for a like horseracing meeting as scheduled by the Board for the current annual racing calendar.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19530, Business and Professions Code.

HISTORY:
1. Amendment filed 8-28-80; effective 9-27-80.

1432. Board May Demand Information.
The Board may require any racing association, prospective racing association or other person intending to make application for license to conduct a horseracing meeting to furnish the Board with a detailed proposal and disclosure as to its proposed racing program, purse program, officials, principals or shareholders, plant, premises, facility, finances, lease arrangements, agreements, contracts and such other information as the Board may require to determine the eligibility and qualifications of the association or person to conduct a race meeting.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19480, Business and Professions Code.

HISTORY:
1. Amendment filed 8-28-80; effective 9-27-80.

1433. Application for License to Conduct a Horse Racing Meeting.
(a) Unless the Board requires an earlier filing, at least 90 days before the time allocated by the Board for a race meeting to start, the association shall file with the Board an Application for License to Conduct a Horse Racing Meeting, CHRB-17 (Rev. 3/23), which is hereby incorporated by reference. Note: CHRB-17 incorporates by reference the Personal History Record, CHRB-25A (Rev. 4/23). A California fair shall file with the Board an Application for License to Conduct a Horse Racing Meeting of a California Fair, CHRB-18 (Rev. 3/23), which is hereby incorporated by reference. Copies of CHRB-17 and CHRB-18 may be obtained at the California Horse Racing Board headquarters office.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.

Reference: Section 19480, 19481, 19481.3 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 8-28-80; effective 9-27-80.
2. Amendment filed 1-11-94; effective 2-10-94.
3. Amendment filed 7-7-95; effective 7-7-95.
4. Amendment filed 6-3-96; effective 7-3-96.
5. Amendment filed 6-19-97; effective 6-19-97.
6. Amendment filed 4-14-98; effective 5-14-98.
7. Amendment filed 10-11-01; effective 11-10-01.
8. Amendment filed 10-12-05; effective 11-11-05.
9. Amendment filed 1-26-07; effective 2-25-07.
10. Amendment filed 5-8-07; effective 6-7-07.
11. Amendment filed 12-7-11; effective 1-6-12.
12. Amendment filed 8-19-15; effective 10-1-15.
13. Amendment filed 6-1-17; effective 12-26-17.
14. Amendment filed 9-7-21; effective 9-7-21.
15. Amendment filed 10-25-24; effective 1-1-25.

1434. Denial of License.

Notwithstanding the allocation of racing weeks and dates and Rule 1431 of this division the Board may deny a license to conduct a horse racing meeting when it determines the proposed horse racing meeting is not in the public interest or fails to serve the purposes of the Horse Racing Law or fails to meet any requirement of the law or the Board's regulations. In addition to any other reason, the Board may refuse to issue or deny a license to any applicant who fails to provide the Board with evidence that it has a binding commitment for the use of an approved racing facility or who fails to provide the Board with evidence of its ability to meet its estimated financial obligations for the conduct of the horse racing meeting.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19480, Business and Professions Code.

HISTORY:
Amendment filed 8-28-80; effective 9-27-80.
Amendment filed 12-6-99; effective 12-6-99.

1435. Suspension of License to Conduct a Race Meeting.

(a) When taking any action against a licensed racing association to suspend racing or impose conditions pursuant to Business and Professions Code section 19481.7, the following procedures shall be followed:
(b)(1) The Board may, upon the filing of a written petition, issue an order suspending a license to conduct a racing meeting or imposing license restrictions. The petition shall include a declaration or declarations that demonstrate, to the satisfaction of the Board, that permitting the licensee to continue to engage in the licensed activity, or permitting the licensee to continue in the licensed activity without restrictions, would endanger the health and safety of the horses or riders that are present at the racing meeting.

(2) For purposes of this section, the health and safety of horses or riders may be endangered when:

(A) An above-average number of injuries to horses and/or riders participating in the race meeting have occurred. The Board shall have discretion to determine the period of time used to measure whether an above-average number of injuries have occurred when compared with historic data.

(B) A condition exists within the inclosure that is likely to endanger the health and safety of the

horses or riders that are present at the racing meeting.

(C) For any other reason the Board finds the health and safety of horses or riders is endangered.

(c)(1) The licensed racing association shall be given at least 24 hours' notice of the hearing on the petition for a suspension or license restriction order. The notice shall include the petition and declarations submitted to the Board in support of the petition.

(2) Notice shall be given in writing, and may be provided by personal service, mail, facsimile transmission or electronic mail.

(3) Notice shall be given to either the licensee, its designee, or any officer or director associated with the licensee.

(d)(1) At the hearing on the petition for a suspension order or license restriction order, the licensee may:

(A) Be represented by counsel.

(B) Have a record made of the proceedings, copies of which may be obtained by the licensee upon payment of any reasonable charges associated with the record.

(C) Present written evidence in the form of relevant declarations, affidavits, and documents.

(D) Present oral argument.

(e) The Board shall issue a decision on the petition for suspension order or license restriction order within five business days following submission of the matter.

(f) The Board shall review any decision to suspend a racing license or impose license restrictions within 10 calendar days of that decision.

(g)(1) At the hearing to review a decision by the Board under this section, the licensee may:

(A) Be represented by counsel.

(B) Have a record made of the proceedings, copies of which may be obtained by the licensee upon payment of any reasonable charges associated with the record.

(C) Present written evidence in the form of relevant declarations, affidavits, and documents.

(D) Present oral argument.

(h) Any suspension order or license restriction order shall remain in effect until the Board, at a meeting, determines that the matters jeopardizing the health and safety of the horses or riders that are present at the racing meeting have been adequately addressed.

(i) As a condition of lifting a suspension order or license restriction order, the Board may require a licensee to comply with additional safety standards or other requirements as it deems necessary or desirable for the best interests of horse racing and the purposes of this division.

(j) Failure to comply with a suspension order or license restriction order issued pursuant to subdivision (b)(1) shall constitute a separate cause for disciplinary action against any licensee.

(k) The orders provided for by this section shall be in addition to, and not a limitation on, the authority to seek injunctive or other relief provided in any other provision of law.

(l) A petition for an order suspending a license to conduct a racing meeting or imposing license restrictions may be filed by the Executive Director or their designee, or by the Equine Medical Director of the Board.

NOTE:
Authority cited: Sections 19481.7, 19440 and 19460, Business and Professions Code.
Reference: Sections 19481.7, 19440 and 19460, Business and Professions Code.

HISTORY:

1. New rule filed 8-29-19 as an emergency; effective 8-29-19. The rule will be repealed by operation of law on 2-26-20 unless a Certificate of Compliance is transmitted to the Office of Administrative Law by 2-25-20.
2. New rule refiled 2-20-20 as an emergency; effective 2-25-20. The rule will be repealed by operation of law on 5-27-20 unless a Certificate of Compliance is transmitted to the Office of Administrative Law by 5-26-20.
3. Emergency filed 2-20-20 extended 60 days. The rule will be repealed by operation of law on 7-28-20 unless a Certificate of Compliance is transmitted to the Office of Administrative Law by 7-27-20.

4. Certificate of Compliance as to 2-20-20 order transmitted to the Office of Administrative Law 7-23-20 and filed 9-1-20; effective 9-1-20.

1436. Duty of Licensed Association.

Each association shall observe and enforce the rules. The license is granted on the condition that the association, its officials, its employees and its concessionaires shall obey all decisions and orders of the Board.

1437. Conditions of a Race Meeting.

The association may impose conditions for its race meeting as it may deem necessary, provided, however, that such conditions may not conflict with the rules, regulations or orders of the Board, that such conditions are published in the condition book or otherwise made available to all licensees participating in its race meeting, that such conditions are posted on the association bulletin board, and a copy of the conditions filed with the Board. The association may also impose requirements, qualifications or requisites for its race meeting as it may deem appropriate.

1439. List of Shareholders.

Each association shall, if a corporation, maintain a current list of stockholders and the number of shares held by each and such list shall be available for inspection by the Board. The association shall immediately inform the Board of any change of corporate officers or directors, or any change in stockholders when such change of the holdings of any individual stockholder exceeds 5% of the outstanding shares of the corporation. The real owner of the stock shall be listed if known. The Board may require the disclosure of the real name of any individual or person who holds over 5% of the outstanding shares of any racing association and may refuse to issue a license to, or suspend the license of, any association which fails to disclose the real name of such shareholders if such information is known to or ascertainable by the association.

1440. Approval of Concessionaires.

(a) No guest association, as defined in Article 24, Rule 2056(h) in this Division, or racing association or person licensed by the Board to conduct a horseracing meeting shall engage, contract with, or permit any person or entity to act as a concessionaire for the purpose of providing service to the association in the form of food and beverage service, janitorial service, or racing selection service unless such person or entity providing such service has been approved by the Board.
(b) In order to apply for approval, a person or entity who contracts to act as a concessionaire shall submit to the Board an Application for Approval as a Concessionaire, CHRB-87 (Rev. 02/23), which is hereby incorporated by reference.
(c) The initial approval term shall be from the date of Board approval through one year from the last day of the month of approval. Subsequent approval terms shall be from the first day of the month following the last day of the previous approval term, unless complete renewal documents are not received by the Board prior to that day, through one year from the last day of the previous approval.
(d) A person or entity who contracts to act as a concessionaire may apply to renew its approval by submitting to the Board a completed concessionaire renewal form, to be provided by the Board, prior to the end of its current approval. The Board shall renew the concessionaire approval, unless the concessionaire provides changes to information contained in its application that result in the application failing to meet the requirements therein.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.

Reference: Sections 19420, 19440 and 19510, Business and Professions Code.

HISTORY:
1. Amendment filed 8-28-80; effective 10-25-80.
2. Amendment filed 9-19-94; effective 10-19-94.
3. Amendment filed 6-19-97; effective 6-19-97.
4. Amendment filed 10-25-24; effective 1-1-25.

1440.5. Licensing of Contractors and Sub-contractors.

(a) An entity acting in any of the following capacities shall procure the appropriate license by completing and submitting to the Board an Application for License as a Contractor or Sub-contractor, CHRB-86 (New 02/23), which is hereby incorporated by reference, at least ninety (90) calendar days before the date the entity intends to commence business at live race meetings and/or simulcast wagering facilities and pay the required fee as follows:

(1) Totalizator Company.....$1,000
(2) Simulcast Service Supplier $1,000
(3) Video Production Company $250
(4) Timing Company.....$250
(5) Photo Finish Company $250

(b) The initial license term shall be from the date of Board approval through one year from the last day of the issuance month. Renewal license terms shall be from the first day of the month following the last day of the previous license term through one year from the last day of the previous license term, unless complete renewal documents are not submitted in a timely fashion.

(1) An entity acting as a contractor or sub-contractor pursuant to subsection (a) of this section may apply to renew its license by submitting to the Board a completed contractor renewal form, to be provided by the Board, prior to the end of its current approval. The Board may require the entity to submit a new Application for License as a Contractor or Sub-contractor if it is deemed that a lapse in licensure or change in entity information warrants a new application.

(c) (1) The Board shall notify an applicant in writing within 30 calendar days from the receipt date by the Board's Administrative office if its application is complete or deficient. If the application is deficient, the notice shall include instructions as to what is required of the applicant to complete the application.

(2) If the applicant fails to submit all documents needed to complete the application within one year from the receipt date of the application by the Board, the Board shall purge said application and all documents submitted thereto and require resubmittal of an application if the applicant, thereafter, intends to procure a license pursuant to this section.

(d) The Board shall approve or deny an application within 60 calendar days from the date the application is deemed complete by the Board.

(e) If the Board denies an application, the applicant has thirty (30) calendar days, from the receipt date of the Board's denial notification, to request a reconsideration of the Board's decision. This request must be in writing and sent to the Board's Administrative office. The Board shall respond in writing to the reconsideration request within thirty (30) working days from the receipt date of the request. If reconsideration is denied, the applicant may file for judicial review in accordance with Section 11523 of the Government Code.

(f) The Board may deny, suspend, or revoke the license on grounds or reasons that include, but are not limited to, the following determinations:

(1) The contractor/sub-contractor is ineligible to conduct business in this state pursuant to any federal or state statute.

(2) The contractor/sub-contractor or any of its officers, directors, partners, or principal management employees have engaged in any activity that is a basis for denial, suspension, or revocation of a license pursuant to this Division or has failed, refused, or neglected to comply with any Board order, rule, or regulation or order by the Board's Stewards reasonably related to its operations as

a contractor/sub-contractor. The license shall remain denied, suspended, or revoked until all parties of the licensee comply with the Board conditions. The remaining parties of the licensee shall not be prohibited from applying for a new license if compliance cannot be obtained from the offending party.

(g) If the Board fails to comply with the time frames outlined in this rule, the entity applicant may appeal, in writing, directly to the Board's Executive Director. Upon receipt of the appeal, the Executive Director shall render a decision, in writing to the applicant, within thirty (30) working days. If the appeal is decided in the applicant's favor, the license fee shall be refunded within fourteen (14) working days.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19510 and 19521, Business and Professions Code.

HISTORY:
1. New rule filed 9-12-95; effective 10-12-95.
2. Amendment filed 6-19-97; effective 6-19-97.
3. Amendment filed 10-25-24; effective 1-1-25.

1441. Photographic Device.
All associations shall install and maintain in good service a photographic device for photographing the finishes of all races to assist the placing judges and the stewards in determining the finishing positions of the horses. A photograph of each finish shall be promptly posted for public view in at least one conspicuous place in the public inclosure.

1442. Photographic or Videotape Recording of Races.
All associations shall install and operate a system to provide a photographic or videotape recording of each race so that such recording clearly shows the position and action of the horses and jockeys at close enough range to be easily discernible. If a foul is claimed, or observed by the officials, no decision shall be rendered by the stewards until they have viewed the recording of the race. Except with prior approval of the Board, every race other than a race run solely on a straight course shall be recorded by use of at least three cameras to provide both panoramic and head-on views of the race.

1443. Identification of Photographs.
All photographs or photographic or videotape recordings required by these rules shall be identified by indicating thereon the day, number of the race and the name of the association at which the race is held.

1444. Altering Official Recordings.
No person shall cut, mutilate, alter or change any photofinish photograph, film patrol photo, photographic or videotape recording for the purpose of deceit or fraud of any type.

1445. Preservation of Official Recordings.
All associations shall preserve all photographic or videotape recordings of all races for at least 90 days after the close of their meeting. Upon request of the Board the association shall furnish the Board with a clear positive print of the photographic recording of any race or a kinescope print of the videotape recording of any race.

1446. Viewing Room Required.
The association shall maintain a viewing room for the purpose of projecting the photographic recording of races, or the videotape screening of the races, for viewing by jockeys, trainers, owners, and other interested persons authorized by the stewards.

1447. Communication System Required.
The association shall install and maintain in good service a communication system between the stewards' stand, pari-mutuel department, patrol judges, starter, ambulance locations, and other designated places.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19440 and 19460, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1448. Bulletin Board Required.
The association shall erect and maintain a bulletin board close to the racing secretary's office or in places where access is granted to all licensees, upon which all official notices of the Board shall be posted.

1449. Distance Poles.
The distance poles shall be the following colors:

1/4 poles	red and white horizontal stripes
1/8 poles	green and white horizontal stripes
1/16 poles	black and white horizontal stripes

1450. Complaint Desk.
The association shall maintain a place where written complaints or claims of violations of the rules or laws may be filed. A copy of any written complaint or claim filed with the association shall be furnished the Board within 48 hours of its receipt.

1452. Feed and Supplies.
No association shall grant an exclusive concession to any vendor of feed, racing supplies or racing services.

1453. Racing Selection Services.
The association shall prohibit the sale, offering for sale, or giving away of any racing selection sheet, or other racing prediction which is required to be filed with the Board pursuant to the provisions of section 19664 of the Business and Professions Code, upon the premises of the association, except with prior approval of the Board.

1454. Board May Direct Notices on Program.
The Board may direct the association to publish in the program any information and notices to the public as it deems necessary.

1456. Honoring Official Credentials.
Credentials issued by the Board shall be honored for admission at all gates and entrances and to all places within the inclosure. Automobiles with vehicle decals issued by the Board shall be permitted ingress and egress at any point. Credentials issued by the Association of Racing Commissioners International, Inc., to its members, past members and staff shall be honored by the association for admission into the public inclosure when presented by such person.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 3-16-94; effective 4-17-94.

1457. Office Space for Board.
The association shall provide within its grounds adequate office space for use by the Board and its employees and shall provide such necessary office furniture and utilities as may be required for the conduct of the Board's business at such association's meeting.

1458. Right of Board to Information.
The association shall furnish the Board with a daily report of its attendance, pari-mutuel handle, license fee, commissions, and the names of all Cal-bred winners, all horses claimed and the claimants thereof, and any other information the Board may require.
NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440, 19560 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1460. Equipment and Apparatus Subject to Approval.
All equipment, devices or apparatus used to officially record, time, photograph, film or videotape the racing program, or used within the pari-mutuel department for the sale, calculation, display of odds, or encasement of tickets, is subject to Board approval.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440, 19560, 19562 and 19592, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1461. Duty to Compile Official Program.
The association shall compile an official program for each racing day which shall contain the names of the horses which are to run in each race together with their respective post positions, age, color, sex, breeding, jockey, trainer, nominator, owners or stable name, racing colors, weight carried, conditions of the race, the order in which each race shall be run, the distance to be run, the value of each race, and the probable odds of each horse.

1462. Duty to Maintain Record of Races.
The association shall maintain a complete record of all races of all authorized race meetings of the same type of racing being conducted by the association, and such records shall be maintained and retained for a period of ten years. This requirement may be met by chart books of Arlington Capital Partners, the United States Trotting Association, or the American Quarter Horse Association.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420, 19440 and 19444, Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending section and adding Note filed 3-20-2013 pursuant to section 100, title 1, California Code of Regulations (Register 2013, No. 12).

1467. Paymaster of Purses.

(a) The association shall appoint a paymaster of purses who shall maintain records as the association and the Board direct. All records shall be separate from those of the Board and are subject to inspection by the Board at any time. The duties of the paymaster of purses or their assistants shall consist of the following:

(1) Maintain records which shall include the name, address, state or country of residence, social security number or federal identification number of each horse owner, trainer, driver, jockey or apprentice jockey participating at the race meeting who has funds due or on deposit in their horsemen's account.

(2) Keep jockey and driver accounts, receive their fees and disburse said fees to the proper claimants.

(3) Verify that the correct claiming price is on deposit with the association before any claim in a claiming race is accepted as official.

(4) Receive and disburse the purses and other awards of each race.

(5) Receive all stakes, entrance money, fines, purchase money in claiming races and other monies that properly come into the paymaster's possession.

(6) Accept money belonging to another association, provided the money is returned within five working days to that association.

(7) Disclose the Cal-bred awards to the respective breed agencies.

(8) Accept and file all required statements of partnerships, assignments of interest, lease agreements, and registrations of authorized agents.

(9) Disburse all monies to the entitled individuals, unless otherwise provided in this section, within 30 calendar days after the meet ends.

(10) Estimate escrow accounts and receive, maintain and disburse funds as directed by the Board.

(11) Deduct from the horse owner's account, and deposit into the account of the horse owner's trainer, 10 percent of the purse earned on any horse that finishes first, second or third at thoroughbred race meetings. Such payments shall be disbursed to the trainer and will be available at the office of the paymaster of purses no later than seven days after the race was conducted. Any amounts so paid shall be repaid to the paymaster forthwith by the trainer upon any order requiring redistribution.

(12) Deduct from the horse owner's account, and deposit into the account of the horse owner's trainer, 10 percent of the net purse earned on any horse that finishes first, second or third at quarter horse meetings. Such payments shall be disbursed to the trainer and will be available at the office of the paymaster of purses no later than seven days after the race was conducted. Any amounts so paid shall be repaid to the paymaster forthwith by the trainer upon any order requiring redistribution.

(b) For purposes of this regulation, “purse earned” or “net purse earned” means all amounts earned except in stakes races in which case “purse earned” or “net purse earned” means all amounts earned less any nomination, entry or starter fees paid by the owner.

(c) For purposes of subsections (a)(11) and (a)(12) above, horse owners may elect not to have 10 percent of the purse earned deducted from their account by filing with the paymaster of purses at each racing association at which the owner wishes it to be in effect, a form CHRB-134 (New 1/02), Notification of Exclusion To Trainer 10% Program, which is hereby incorporated by reference. The form CHRB-134 (New 1/02) is available at the office of the paymaster of purses at any race meeting.

(d) A form CHRB-134 (New 1/02) may be filed with the paymaster of purses at any time during a race meeting, and

(1) Shall apply to all horses owned in whole or in part by the owner,

(2) Shall be binding on all licensed owners with an interest in the horse or horses,

(3) Shall apply to all trainers employed by the owner, and

(4) Shall remain in force until written revocation is submitted to the paymaster at the race meeting at

which the form CHRB-134 (New 1/02) was submitted.
(e) In addition to the duties in subsection (a), the paymaster of purses shall deduct from the horse owner's account 0.3 percent of the net purse earned by any thoroughbred horse at a thoroughbred racing association or Fair meeting, and shall deduct from the jockey's and trainer's accounts 0.3 percent of the purse money they earn from any race conducted at a thoroughbred racing association or Fair meeting. Such deductions shall be deposited into the California Retirement Management Account (CARMA), a charitable trust fund maintained by the CARMA not-for-profit organization, for distribution to California thoroughbred retirement/rehabilitation facilities, which provide livestock care and services to retired thoroughbred horses that competed in thoroughbred races in California.

(1) Thoroughbred horse owners, jockeys, and trainers may elect not to have the 0.3 percent deducted from their purses by filing with the paymaster of purses at each racing association for each race meeting at which the owners, jockeys, and trainers wish it to be in effect, a form CHRB-206 (Rev. 06/18), Notification of Exclusion of CARMA Contribution, which is hereby incorporated by reference. The form CHRB-206 (Rev. 06/18) is available at the office of the paymaster of purses at any race meeting.

(2) CARMA funds shall be distributed at least on an annual basis to retirement/rehabilitation facilities, as determined by the CARMA not-for-profit organization. Each such retirement/rehabilitation facility shall be:
   (A) A nonprofit corporation or organization.
   (B) Exempt or entitled to an exemption from federal or state income taxes.
   (C) Approved by the Board.

(3) The CARMA not-for-profit organization shall file with the Board within 90 days of the close of CARMA'S fiscal year an audited financial statement of the CARMA trust fund account.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19420, 19433, 19434, 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 1-31-02; effective 3-2-02.
2. Amendment filed 4-9-03; effective 5-9-03.
3. Amendment filed 4-8-08; effective 5-8-08.
4. Amendment filed 6-24-19; effective 10-1-19.

1468. Ambulance Service.

(a) The association shall provide the services of an ambulance and its properly qualified attendants at all times during the running of races at its meeting, or during the hours the association acts under an agreement as an auxiliary training and stabling facility for a host association.
(b) The association shall also provide the services of a horse ambulance at all times during the running of races at its meeting or during the hours the association permits the use of its race course for training purposes.
(c) A means of communication shall be provided by the association between a place of observation of the race course and the place where the required ambulances and their attendants are posted for prompt response in the event of accident to any person or horse.
(d) If the training facility is not subject to the provisions of subsection (a) it shall either meet the requirements of (a) or, in the alternative, submit for approval by the Executive Director or a designated representative, a written plan specifying emergency procedures for accidents at the facility, which shall include but not be limited to:

(1) A list, which includes response times, of at least two emergency medical services to be used by the facility, and at least two alternative emergency medical services to be used in the event the primary service is not available. The list may utilize a combination of ambulance services, fire

departments or police services.

(2) The names of one or more facility employees with access to emergency first aid equipment and the location and nature of such equipment.

(3) The names of one or more facility employees who are trained in basic first aid and who hold a current Cardiopulmonary Resuscitation (CPR) certification.

(4) The type and location of communication equipment, such as telephone or hand held radios, to be provided as a means for facility staff to contact emergency medical services.

(5) The locations on the facility where emergency medical service information is posted for public access. Such information shall include but not be limited to emergency telephone numbers of ambulance, fire and police services.

(e) The Executive Director or a designated representative shall, within 30 calendar days from the date the plan is received at Board headquarters, approve or disapprove, stating the reasons for disapproval, in writing the emergency plan submitted by the facility.

(1) An emergency procedure plan shall be disapproved if it fails to meet any of the requirements of subsections (d)(1) through (d)(5).

(2) Upon disapproval of an emergency procedure plan by the Executive Director or a designated representative, a revised emergency plan may be submitted to Board headquarters within 10 working days of the date the facility is notified of the disapproval.

(3) The Executive Director or a designated representative shall, within 10 working days from the date the revised plan is received at Board headquarters, disapprove or approve in writing the revised emergency plan submitted by the facility.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19440 and 19460, Business and Professions Code.

HISTORY:
1. Amendment and new subsections (a), (b), (c), (d) and (e) filed 10-8-91; effective 10-8-91.
2. Amendment of subsection (e) filed 3-24-92; effective 4-23-92.
3. Amendment filed 6-7-94; effective 7-7-94.

1469. Safety of Race Course.

The association shall take cognizance of any complaint regarding the safety of its race course or premises, and shall maintain in safe condition the race course and all rails and other equipment required for the conduct of its races.

1470. Accounting Practices and Responsibility.

(a) Every association shall maintain in an approved depository those amounts deducted from the pari-mutuel handle which are retained by the association for distribution for purposes specified in the law, rules or agreements including, but not limited to purses, breeder's awards, and unclaimed pari-mutuel distribution. Each association and its managing officers are jointly and separately responsible to assure the amounts retained from the pari-mutuel handle are distributed under the law, rules or agreements (other than collective bargaining).

(b) Racing associations which have not previously operated, new operators of established associations, or associations which have not demonstrated financial stability, are required to make advanced payments, or post a security instrument as a condition preceding the issuance of the racing license.

(c) The Board may, at its discretion, require periodic audits to determine that associations have funds available to meet those distributions for the purposes specified above.

NOTE:
Authority cited: Section 19440, Business and Professions Code.

Reference: Section 19434, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 3.5. TRACK SAFETY STANDARDS

1471. General Provisions and Conditions.

(a) Pursuant to Section 19481 of the Business and Professions (B&P) Code, all horse racing associations, fairs, and training facilities used for timed and reported workouts must comply with the provisions of this article.
(b) Notwithstanding the above, these regulations shall not apply to training tracks not used for timed and reported workouts or to any track maintained by a licensed racing association or fair that is not used for conducting licensed races.
(c) The provisions of this article shall not require the removal or replacement of, or substantial modification to, any rail or other object installed prior to May 24, 1994, if in the judgment of the Board there is a showing that compliance with the safety standards can be attained by alternate methods, technologies, programs, practices, means, devices or processes proposed and implemented that will provide equal or superior safety for racing participants.
(d) A request for an approval, pursuant to subsection (c), may be submitted in writing, not less than 90 calendar days prior to the start of the race meeting.

(1) The Board will act upon a request not less than 60 days prior to the start of the race meeting. The Board shall prescribe in writing, the terms under which the approval is granted and said approval shall remain in effect only as long as there is compliance with the terms.
(2) Any approval shall be conditional unless a signed and completed Hold Harmless Agreement, CHRB-120 (new 2/96), which is hereby incorporated by reference, is submitted within five days after the approval is granted.
(3) No approval shall be granted unless a policy for liability insurance is obtained in an amount not less than $3 million dollars that names the Board as an additional insured; such policy shall remain in effect for the duration of the race meeting. A copy of the certification of liability insurance shall be submitted with the CHRB-17, Application for License to Conduct a Race Meeting or CHRB-18, Application for License to Conduct a Fair Race Meeting.
(4) The Board may revoke an approval at any time if, in their judgment there is failure to comply with the terms of the approval.
(5) If the Board disapproves a request for an approval the requestor must comply with the provisions of this article.

(e) Unless the Board determines an emergency situation exists, upon receipt of written notification of revocation of an approval the racing association, fair, or training facility shall have not more than 30 calendar days to achieve compliance with the provisions of this article.
(f) Any association or fair that does not comply with the provisions of this article will not be granted a racing license pursuant to Section 19481.5 of the B&P Code.
(g) Forty-five calendar days prior to the start of a racing association meet, or 30 days prior to the start of a fair meet or annually in the case of a training facility the track shall be inspected for compliance with the provisions of this article. The Board shall designate a steward to be responsible for enforcing compliance with safety standards as required by this article and the Board-designated steward or other official shall perform the compliance inspection and report the findings to the Board.

NOTE:
Authority cited: Sections 19480, 19481 and 19481.5, Business and Professions Code.
Reference: Sections 19480, 19481 and 19481.5, Business and Professions Code.

HISTORY:
1. New rule filed 5-24-94; effective 5-24-94.
2. Amendment filed 6-20-96; effective 7-3-96.
3. Amendment filed 12-23-96; effective 1-22-97.
4. Amendment filed 6-19-97; effective 6-19-97.
5. Amendment filed 10-14-04; effective 11-13-04.

1472. Rail Construction and Track Specifications.

(a) All racing surfaces, including turf courses, shall have an inner rail, and an outer rail or shadow fence designed to meet the same impact standards as a permanent rail.

(1) Racing surfaces used for standardbred racing shall have an inner rail or pylons, and an outer rail or shadow fence designed to meet the same impact standards as a permanent rail.

(2) If pylons are used, no obstacle shall be placed within an area extending 25 feet from the inner boundary of the racing surface.

(b) All rail posts, except portable, auxiliary, or chute rail posts, must be set in concrete at least 6 inches below the racetrack surface and shall be at least 24 inches deep. Permanent rails shall be designed not to collapse or break away when a horse that is running parallel to the rail bumps, lugs or falls into the rail or posts during normal training or racing. Notwithstanding the above, no permanent or portable turf post or rail shall be constructed of fiberglass, poly vinyl chloride (P.V.C.), or wood, and hedges shall not be used as a post or rail.

(c) The height of all outside and inside rails shall be between 38 and 42 inches from the top of the racing surface to the top of the rail.

(d) All rails, and rail post covers shall be maintained with a smooth surface, and without jagged, sharp or irregular edges. All permanent rails and rail post covers shall be firmly secured by means of bolting, welding or other equivalent method.

(e) All permanent inside rail posts shall be of a gooseneck-type design utilizing at least a 24-inch overhang with a continuous smooth elevated cover extending over the posts. Portable rails and posts shall be designed not to collapse or break away when a horse that is running parallel to the rail bumps, lugs or falls into the rail or posts during normal training or racing conditions. This subsection shall not apply to chute extension rails.

(f) All turf course paths, leading from the inside rail of the main course to the turf course, shall be consistent in appearance with surrounding area. No rails shall be installed on turf course paths that lead from the main course to the turf course.

(g) No objects shall be placed within 10 feet from the face of the inside rail. Marker poles that are placed within 10 feet from the face of the inner rail shall be flexible enough to collapse upon impact of a horse and/or rider or driver.

(h) Any concrete drainage ditch within 10 feet of the face of the inside rail must be covered with a material that will support the weight of the horse and rider or driver and at the same time (if needed), and have padding to cushion the impact of the horse and rider or driver.

(i) All rail gate openings shall be designed not to collapse or break away when a horse that is running parallel to the rail bumps, lugs or falls into the rail or post during normal training or racing. Gates shall have a uniform appearance with the contiguous rail, and all gates on inner rails shall be closed and secured during racing and training.

(j) Separate ingress and egress gates or gaps shall be provided for horses to enter and leave the main racetrack. Each ingress and egress gate or gap shall be a minimum of 20 feet wide. Ingress and egress gates and gaps shall be separated by at least 20 feet. All gaps may be available for ingress for two minutes immediately following renovation breaks. The starting gates used for breaking horses during morning training hours shall be placed in a location that will not result in interference or distraction of gate horses from other horses entering or leaving the track during training hours.

(k) All racetrack lighting systems utilized for night racing shall have an emergency back-up system or a preferred electrical current provided by a public utility and incandescent lighting. Any such lighting

systems must provide horses, riders, and drivers sufficient lighting to safely leave the track in case of a main power failure.
(l) All licensed racing associations or racing fairs conducting live racing and/or training and other training facilities used for timed and reported workouts shall have:

(1) Permanent track surface elevation grade marks installed at least at every 1/32 mile intervals to provide for a means of maintaining a continuous uniform grade of the track cushion and base (if granite). If the track is designed with the front stretch or backstretch at a different elevation than the other, a continuous grade from one elevation to the other shall be maintained.
(2) A minimum of 2 percent cross slope in the straight-aways and a minimum of 4 percent cross slope in the center of the turns.
(3) Synthetic and polymer or wax-coated sand track surfaces shall be exempt from the requirements of Subparagraph (l)(1)(2) of this rule.

NOTE:
Authority cited: Sections 19420, 19440 and 19481, Business and Professions Code.
Reference: Section 19481, Business and Professions Code.

HISTORY:
1. New rule filed 5-24-94; effective 5-24-94. Subsections (c)(d)(f)(g)(h)(i)(j) and (k) effective 7-23-94.
2. Amendment filed 1-11-95; effective 2-10-95.
3. Amendment filed 5-2-95; effective 6-1-95. Subsections (h) and (i) effective 7-1-95.
4. Amendment filed 12-23-96; effective 1-22-97.
5. Amendment filed 6-20-06; effective 7-20-06.

1473. Renovation of Dirt Racetrack.

(a) Subject to limitations created by periods of inclement weather, all licensed racing facilities and training facilities used for timed and reported workouts which stable between 300 and 1100 racehorses in training shall provide at least one morning break for racetrack surface renovation. Racing facilities which stable more than 1100 racehorses in training shall provide at least two morning breaks to renovate the racetrack surface. For those racing facilities and training facilities with less than 300 racehorses, surface renovation shall be determined by the track maintenance supervisor and designated horsemen's representative stabled at the location.
(b) For all licensed racing facilities and training facilities used for timed and reported workouts where standardbred horses are stabled, racetrack surface renovation shall be determined by the track maintenance supervisor and designated horsemen's representative stabled at the location.
(c) Morning break renovation shall include, but is not limited to, watering, harrowing and/or floating, the racetrack surface at least two-thirds (2/3) of the width of the track from the inside rail to the outside rail of the main track.
(d) Renovation between races shall include, but is not limited to, watering, harrowing and/or floating the racetrack surface at least the length of the starting gate from the inside rail to the outside of the main track for at least the distance of the next race.

NOTE:
Authority cited: Sections 19420, 19440 and 19481, Business and Professions Code.
Reference: Sections 19420, 19440 and 19481, Business and Professions Code.

HISTORY:
1. New rule filed 5-24-94; effective 7-23-94.
2. Amendment filed 5-2-95; effective 6-1-95.
3. Amendment filed 12-23-96; effective 1-22-97.

1474. Maintenance of Dirt Racetrack.

(a) All licensed racing associations or fairs conducting live racing and/or training, and other training facilities used for timed and reported workouts, shall develop and implement a written policy regarding their track safety maintenance program to be submitted with their license application for Board review 90 days prior to the commencement of the race meeting. The written policy shall provide for:

(1) regular and continuous maintenance of the racing surface under Rule 1473 of this division;
(2) a schedule for maintenance of equipment, track grade, elevations, racetrack renovation, and watering;
(3) analysis of the composition of the racetrack soil sampled every 20 feet and every sixteenth of a mile, and
(4) the name of the person responsible for supervision of the maintenance of the racetrack safety standards.

NOTE:
Authority cited: Sections 19420, 19440 and 19481, Business and Professions Code.
Reference: Sections 19481, 19481.5 and 19488, Business and Professions Code.

HISTORY:
1. New rule filed 5-24-94; effective 7-23-94.
2. Amendment filed 5-2-95; effective 6-1-95.
3. Amendment filed 12-6-99; effective 12-6-99.

1475. Golf Course in the Infield of the Racetrack.

If golfing activities are conducted in the infield of the racetrack operated by a licensed racing association, fair or training facility used for timed and reported workouts, all racing surfaces must be inspected prior to racing or training and the licensed racing association, fair, or training facility used for timed and reported workouts shall ensure that all golf balls are removed from all racing surfaces. No licensed racing association, fair, or training facility used for timed and reported workouts shall permit any golfing activity in the infield of the racetrack during the hours of training or racing unless the golf course meets the following criteria:

(a) Access to the course is by way of a tunnel or other means where golfers do not physically cross the track.
(b) There is a minimum of 135 feet between the inside track rail and the golf course.

NOTE:
Authority cited: Sections 19420, 19440, and 19481, Business and Professions Code.
Reference: Sections 19420, 19440, and 19481, Business and Professions Code.

HISTORY:
1. New section filed 5-24-94; effective 5-24-94.

TITLE 4, DIVISION 4, ARTICLE 4. OCCUPATIONAL LICENSES

1481. Occupational Licenses and Fees.

No person required to be licensed shall participate or attempt to participate in a race meeting without holding a valid license authorizing that participation.

(a) A person acting in any capacity within the restricted area of an inclosure, simulcast facility or auxiliary stabling area shall procure the appropriate license(s) and pay the fee required.

(b) A person acting in any of the following capacities shall procure the appropriate license(s) and pay the fee required:

(1) Horse Owner by Open Claim $250

(2) Officer, Director, Partner, or any individual or person who holds 5% or more of the outstanding shares of an advance deposit wagering, mini-satellite wagering, racing association, simulcast service supplier, or totalizator company $200
(3) Horse Owner.....$150
(4) Trainer, Assistant Trainer, Driver, Jockey, Apprentice Jockey, Jockey Agent.....$150
(5) Veterinarian $150
(6) Steward, Associate Steward, Steward (Veterinary Service), Simulcast Facility Supervisor, Assistant Simulcast Facility Supervisor, Racing Official, Administrative or Managerial personnel including General Manager of a racing association, advance deposit wagering, mini-satellite wagering or exchange wagering provider, simulcast organization or an intrastate guest association, who exercise control over other licensees, horse racing, pari-mutuel wagering, simulcast operations, or whose duties routinely require access to restricted areas of the inclosure $150
(7) Bloodstock Agent.....$150
(8) Valet, Jockey Room or Drivers' Room Attendant or Custodian or Service Person, Colors Attendant, Paddock Attendant $75
(9) Assistant to a Racing Official or Official, Assistant General Manager of a racing association, simulcast organization or an intrastate guest association, Assistant Starter, Assistant to the Veterinarian, Assistant Manager, Announcer, Paymaster of Purses, Superintendent, Starting Gate Driver, Flagman, Marshal, Stewards' Aide..... $75
(10) Exercise Rider, Pony Rider, Outrider $75
(11) Horseshoer, Stable Agent, Vendor or Vendor's Employee when duties require access to the restricted area, Stable Foreman..... $75
(12) Pari-mutuel Employee, Totalizator Technician, Video Operator, Photofinish Operator..... $75
(13) Security Officer, Security Guard, Stable Gateman, Fire Guard, Security Investigator..... $75
(14) Clerical Employee or Uncategorized Employee of a racing association, intrastate guest association, simulcast organization, simulcast service supplier, totalizator company, horsemen's organization or concessionaire when employed in a restricted area..... $75

(c) A person acting in the capacity of Backstretch Event Personnel, Groom, Provisional Exercise Rider, Stable Employee or Stable Assistant shall procure the appropriate annual license. The fee for an original license is $35, and the annual renewal of license is $20.

(d) A person acting in the capacity of Authorized Agent shall register an authorized agent agreement and registration of authorized agent and pay a fee of $25 for each registration.

(e) A person or persons electing to conduct racing operations by use of a Stable Name, or stable name group, shall register the Stable Name, or stable name group, and pay a fee of $300.

(f) A person or persons conducting racing operations as a syndicate, an entity running under a stable name group or as a partnership having more than ten general partners or having one or more limited partners shall register the syndicate, entity running under a stable name group or partnership as a multiple ownership and pay a fee of $300.

(g) A person participating in any capacity required to be licensed under this rule who participates or attempts to participate at a mule racing meeting shall procure an annual Mule Racing Participant license and pay an annual fee of $25. A license for participating in a mule racing meeting is valid only at mule racing meetings and any license otherwise valid for horse racing meetings is not valid for mule racing meetings.

(h) A person whose license-identification card is lost, destroyed or mutilated shall procure a replacement license-identification card and pay a fee of $15.

(i) A person who elects to participate in the Association of Racing Commissioners International (ARCI) Licensing Reciprocity Program shall pay the associated costs charged by the ARCI and the Federal Bureau of Investigation.

(j) The date the payment of the required fee is received and recorded by the Board is the effective date of issuance of a continuous occupational license for the capacity in which licensed. The fees required

herein are for the entire period for which the issued license is to be valid.

NOTE:
Authority cited: Sections 19440, 19510, 19520 and 19704, Business and Professions Code.
Reference: Sections 19510, 19520 and 19704, Business and Professions Code.

HISTORY:
1. Repealer and new rule filed 12-31-82; effective 1-1-83.
2. Editorial correction of subsection (g) 1983.
3. Amendment increasing fees filed 12-30-88; effective 1-1-89.
4. Amendment of subsection (f) changing "three" to "five" and adding "as a multiple ownership" filed 2-14-89; effective 2-14-89.
5. Amendment of subsection (f) changing "five" to "ten" filed 7-6-89; effective 8-5-89.
6. Amendment of subsection (i) filed 12-13-90; effective 1-12-91.
7. Amendment of subsections (b)(6), (b)(9) and new subsection (i) and subsection relettering filed 8-5-93; effective 9-7-93.
8. Amendment filed 1-5-94; effective 2-4-94.
9. Amendment filed 9-12-94; effective 10-12-94.
10. Amendment filed 5-31-95; effective 6-30-95.
11. Amendment filed 12-6-99; effective 12-6-99.
12. Amendment filed 5-30-07; effective 6-29-07.
13. Amendment filed 7-10-08; effective 8-9-08.
14. Amendment filed 3-5-09; effective 4-4-09.
15. Amendment filed 1-28-20; effective 4-1-20.

1482. Employment of Unlicensed Person.
No association, owner, trainer or any other licensee acting as an employer within the inclosure at an authorized meeting, shall employ within the inclosure or within any auxiliary stable area, any person required to be licensed by the Board, until such association, owner, trainer or other employer determines that such person required to be licensed has been issued a valid license by the Board or has made application for such license. No association shall permit any owner, trainer, jockey or driver to own, train, ride or drive on its premises during a recognized meeting unless such owner, trainer, jockey or driver has received a license to do so from the Board. The association or prospective employer may demand for inspection the license of any person participating or attempting to participate at its meeting and the association may demand for inspection the documents relating to any horse on its grounds.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Section 19510, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1483. Application for License.
(a) An applicant for a license shall apply in writing on the application forms furnished by the Board. Every applicant for an original license shall provide two (2) or more complete sets of fingerprints on regulation forms. Every license identification card issued by the Board shall include a current Board photograph of the licensed person.
(b) The fingerprint requirement will be waived for an owner's license, if the applicant holds an owner's license in good standing from a racing jurisdiction that requires fingerprints as part of their license application, provided a Fingerprint Affidavit, CHRB-118 (New 1/97), hereby incorporated by reference, is

completed. CHRB-118 is available at all CHRB offices.

NOTE:
Authority cited: Sections 19460 and 19510, Business and Professions Code.
Reference: Sections 19460, 19510 and 19520, Business and Professions Code.

1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 3-26-91; effective 4-25-91.
3. Amendment filed 1-5-93; effective 2-4-93.
4. Amendment filed 5-1-97; effective 5-31-97.

1484. Evidence of Unfitness for License.
If any applicant for a license or any licensee is under suspension, set down, ruled off, excluded from the inclosure, or otherwise barred from any racing occupation or activity requiring a license, it is prima facie evidence that he or she is unfit to be granted a license or unfit to hold a license or participate in racing in this State as a licensee during the term of any suspension or exclusion from racing imposed by any competent racing jurisdiction.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19460, 19461 and 19510, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1485. License Subject to Conditions and Agreements.
(a) Every license is subject to the conditions and agreements contained in the application and to the Board rules in this Division.
(b) Every license issued by the Board remains the property of the Board.
(c) Possession of a license does not confer any right upon the holder thereof to employment at or participation in a race meeting or to be within the inclosure.
(d) The Board may place conditions on any license it issues. All licensees shall strictly comply with any condition imposed by the Board.

NOTE:
Authority cited: Sections 19420, 19440 and 19460, Business and Professions Code.
Reference: Section 19520, Business and Professions Code.

HISTORY:
1. New subsection (d) filed 4-21-83; effective 5-21-83.
2. Amendment filed 1-6-94; effective 2-5-94.

1486. Term of License.
(a) Every occupational license, original or renewal, granted by the Board under this Article, other than a license as a groom, provisional exercise rider, stable employee, stable assistant, backstretch event personnel and mule racing participant shall expire in its third year on the last day of the birth month of the licensee.
(b) Every original occupational license as groom, provisional exercise rider, stable employee, stable assistant, backstretch event personnel and mule racing participant shall expire on the last day of the calendar year in which it is issued. Such original license shall be automatically extended to expire on the last day of the birth month of the licensee. Renewal licenses shall expire on the last day of the birth

month of the licensee on an annual basis.

NOTE:
Authority cited: Sections 19440 and 19704, Business and Professions Code.
Reference: Sections 19510, 19520, 19521 and 19704, Business and Professions Code.

HISTORY:
1. Amendment filed 8-7-91; effective 9-6-91.
2. Amendment filed 4-1-96; effective 5-1-96.
3. Amendment filed 10-24-06; effective 10-24-06.
4. Amendment filed 10-24-07; effective 11-23-07.
5. Amendment filed 3-5-09; effective 4-4-09.

1486.5. Term of Registration.
Every Registration, such as a Stable name, Syndication, Partnership, Multiple Ownership, Authorized Agent or Trust granted by the Board under this article shall be valid for three years and shall expire on the 31st day of December of the expiration year.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19440, Business and Professions Code.

HISTORY:
1. New rule filed 12-10-90; effective 1-9-91.

1487. Address of Licensees.
Each licensee, applicant for license, or registrant of the Board shall file with the Board his permanent and his current mailing address and shall report in writing to the Board any and all changes to addresses, giving both his old and his new address.

1488. Temporary Occupational License.
(a) Pending completion of the investigation of the qualifications and fitness of an applicant for a license, any initial occupational license granted by the Board is temporary, shall carry no presumption of the qualifications or fitness of the applicant, and may be summarily terminated by the Board. Unless terminated earlier, a temporary license shall be made permanent upon completion of an investigation by the Board of all facts relative to the applicant's qualifications, and a determination that the applicant is fit to hold a license.
(b) A temporary license shall be terminated if the applicant's fingerprints, completed application(s), and such other documentation as may be required for license are not submitted to the Board within 45 calendar days following the date of issuance of the license. In the event of termination of a temporary license, the occupational license fee shall be forfeited. Termination of temporary license is without prejudice to the applicant unless the Board finds that the applicant has made a material misrepresentation or false statement to the Board to obtain a license privilege.
(c) No more than one temporary license shall be issued to an applicant without that applicant first submitting to the Board such fingerprints and completed applications as required under this article.

NOTE:
Authority cited: Sections 19440, 19460, 19461 and 19520, Business and Professions Code.
Reference: Sections 19460 and 19510, Business and Professions Code.

HISTORY:

1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 1-8-93; effective 2-8-93.

1489. Grounds for Denial or Refusal of License.

(a) The Board, in addition to any other valid reason, may refuse to issue a license or deny a license to any person:

(1) Who has been convicted of a crime punishable by imprisonment in a California state prison or a federal prison, or who has been convicted of a crime involving moral turpitude.
(2) Who has been convicted of a crime in another jurisdiction which if committed in this state would be a felony.
(3) Who has made any material misrepresentation or false statement to the Board or its agents in his or her application for license or otherwise, or who fails to answer any material question on an application for a license.
(4) Who is unqualified to engage in the activities for which a license is required.
(5) Who fails to disclose the true ownership or interest in any or all horses as required by any application.
(6) Who is subject to exclusion or ejection from the racing inclosure or is within the classes of persons prohibited from participating in pari-mutuel wagering.
(7) Who has committed an act involving moral turpitude, or intemperate acts which have exposed others to danger, or acts in connection with horse racing and/or a legalized gaming business which were fraudulent or in violation of a trust or duty.
(8) Who has unlawfully engaged in or who has been convicted of possession, use or sale of any narcotic, dangerous drug, or marijuana.
(9) Who is not permitted by any law to engage in the occupation for which the license is sought.
(10) Who has violated, or who aids, abets or conspires with any person to violate any provision of the rules or the Horse Racing Law.

(b) When considering the denial, suspension or revocation of a license under subparagraphs (a)(1), (a)(2), (a)(7), and (a)(8) of this section, pursuant to section 481 of the Business and Professions Code, a crime or act shall be considered to be substantially related to the qualifications, functions or duties of a person applying for or holding a license under the Horse Racing Law, if to a substantial degree the crime or act evidences a present or potential unfitness to perform the functions authorized by his or her license or in a manner consistent with the public health, safety, or welfare.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 481, 19460, 19510 and 19572, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment of subsection (a), new subsection (b) and relettering, and amendment of newly designated subsection (g) filed 1-6-93; effective 2-5-93.
3. Amendment filed 12-6-99; effective 12-6-99.
4. Amendment filed 4-12-16; effective 7-01-16.

1489.1. Suspension of License Due to Delinquent Tax Debt.

(a) No licensee, applicant for license, renewal of license or registration, or any person required to obtain an occupational license from the Board may be issued a permanent license, or reactivate, reinstate or renew a permanent license if his or her name appears on the certified list provided by the California State Board of Equalization (BOE) or the Franchise Tax Board (FTB).

(b) If the name of a licensee or applicant for license appears on the BOE or FTB certified list the Board shall immediately provide the licensee or applicant for license with preliminary notification that:

(1) The license shall be suspended, or
(2) The issuance or renewal of the license shall be withheld.

The preliminary notification shall be made by certified mail to the licensee's or applicant's last given place of residence as provided under Business and Professions Code section 494.5(e)(2).

(c) In accordance with the provisions of Business and Professions Code section 494.5(f)(1), a licensee or applicant for license whose name appears on the certified list shall, 90 days after the Board issues a preliminary notice of intent to suspend or withhold issuance or renewal of license, be subject to suspension of license, or denial of a permanent license, unless and until the BOE or the FTB provides the Board with notice of the licensee's or applicant's compliance.

(1) A license suspended due to delinquent tax debt shall be reinstated within five business days following receipt by the Board of a notice of compliance from the BOE or the FTB.
(2) A temporary license issued to an applicant whose name appears on the certified list shall be valid for a period of 90 days and thereafter shall be terminated unless the Board has received a notice of compliance from the BOE or the FTB. In the event of termination of a temporary license, the occupational license fee shall be forfeited.

(d) For the purposes of this regulation "certified list" means the list provided by the BOE or the FTB of persons whose names are on the lists of the 500 largest tax delinquencies as provided under section 7063 or 19195 of the Revenue and Taxation Code.

NOTE:
Authority cited: Sections 494.5, 19440, 19510, 19520 and 19704, Business and Professions Code.
Reference: Sections 494.5, 19510, 19520 and 19704, Business and Professions Code.

HISTORY:
1. New rule filed 08-30-12; effective 09-29-12.

1489.2. Criteria to Evaluate Rehabilitation of a Person When Considering Denial, Suspension or Revocation of an Occupational License

(a) When considering the denial of a license under Business and Professions Code section 480, or the suspension or revocation of licensure under Business and Professions Code section 490, on the grounds that the person has committed an act or been convicted of a crime, the California Horse Racing Board will evaluate the rehabilitation of such person and his or her eligibility for licensure, and shall consider the following criteria:

(1) The nature and severity of the act(s) and/or offense(s), including its relation to horse racing or pari-mutuel wagering and the protection of the public.
(2) The total criminal record, including evidence of any act(s) and/or offense(s) committed subsequent to the act(s) or offense(s) under consideration as grounds for denial, suspension or revocation which also could be considered grounds for denial, suspension, or revocation under Business and Professions Code sections 480 or 490.
(3) The time that has elapsed since commission of the act(s) or offense(s).
(4) The extent to which the person seeking licensure or the licensee has complied with any terms of parole, probation, restitution or any other sanctions lawfully imposed against the person or licensee.
(5) The credibility of the person seeking licensure or the licensee, and his or her acceptance of responsibility and remorse for the conduct.
(6) Evidence, if any, of rehabilitation submitted by the person seeking licensure or by the licensee. If the evidence of rehabilitation consists of written statements by third parties in support of the person seeking licensure or the licensee, the written statements shall include a description of their relationship to the person or licensee, a description of the length of time their relationship has existed, a description of the rehabilitative efforts of the person seeking licensure or the licensee and should contain the following sentence at the end: "I declare under penalty of perjury, under

the laws of the State of California, that the foregoing is true and correct." The written statement should be signed by the third party making the statement and dated.

NOTE:
Authority cited: Sections 482 and 19440, Business and Professions Code.
Reference: Sections 480, 482, 490, 19460 and 19461, Business and Professions Code.

HISTORY:
1. New rule filed 09-13-16; effective 09-13-16.

1491. Examinations.
The Board may require the applicant for any license to demonstrate his knowledge, qualifications and proficiency for the license applied for by such examination as the Board may direct.

1493. Refusal Without Prejudice.
A refusal to issue a license (as distinguished from a denial of a license) to an applicant by the Board at any race meeting is without prejudice, and the applicant who has been refused for reasons other than license certification testing may reapply for a license at any subsequent or other race meeting. In all cases an applicant may appeal such refusal to the Board for hearing upon his or her qualifications and fitness for the license.

NOTE:
Authority cited: Sections 19440, 19460, and 19520, Business and Professions Code.
Reference: Sections 19440, 19460, and 19520, Business and Professions Code.

HISTORY:
1. Amendment filed 11-17-93; effective 12-17-93.

1495. Re-Hearing After Denial of License.
Any person who has had his license denied may petition the Board to reopen the case and reconsider its decision upon a sufficient showing that there is now available evidence which could not, with the exercise of reasonable diligence, be produced at the hearing. Any such petition must be filed with the Board no later than 30 days after the effective date of the Board's decision in the matter. Any person who has been denied a license by the Board may not file a similar application for license until one year from the effective date of the decision to deny the license.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Section 19510, Business and Professions Code; and Sections 11521 and 11522, Government Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1496. Financial Responsibility of Applicants.
Applicants for license as horse owner or trainer must submit satisfactory evidence of their financial stability and their ability to care for and maintain the horses owned and/or trained by them when such evidence is requested by the Board.

1497. Confidentiality of Applications.
(a) No information contained in the Application for License, CHRB-4 (Rev. 08/24), which is hereby

incorporated by reference, or subsidiary information required in conjunction with said application, shall be considered confidential unless:
(1) The information includes personal identification numbers such as social security numbers, federal identification numbers, driver's license numbers, and bank account numbers;
(2) The information includes statements of personal worth and personal financial data used to establish the applicant's personal qualifications for license;
(3) The information relates to minor children; or
(4) The information has been designated on the Application for License, CHRB-4 (Rev. 08/24), as confidential.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code. Reference: Sections 19435, 19440, 19460 and 19466, Business and Professions Code.

HISTORY:
1. Amendment of section heading and section and new Note filed 8-5-93; operative 9-7-93 (Register 93, No. 32).
2. Amendment filed 6-23-2025; operative 10-1-2025 (Register 2025, No. 26).

1498. Physical Examination.
(a) All jockeys, apprentice jockeys, and drivers must pass a physical examination at least once a year before the commencement of the first race meeting of the year in which such jockey, apprentice jockey or driver intends to participate, or at such other time as the Board may direct. Such examination will be given by a doctor designated or approved by the Board, and the examination shall include a visual acuity examination and a hearing examination.
(b) In addition to subsection (a) above, the examination shall include a drug test to screen for such substances as described in subsections (b)(2)(A) through (b)(2)(E) of Rule 1500.1 of this article.
(1) A positive finding for any of the drugs or classes of drugs described in subsections (b)(2)(A) through (b)(2)(E) of Rule 1500.1 of this article shall result in the jockey/driver not being cleared to ride/drive until he or she has successfully passed such examination.
(c) The Board or the stewards may require that any jockey, apprentice jockey or driver be re-examined at any time, and the Board or the stewards may refuse to allow any jockey, apprentice jockey or driver to ride or drive until he or she has successfully passed such examination.

NOTE:
Authority cited: Sections 19420, 19440 and 19520, Business and Professions Code.
Reference: Section 19440, 19520 and 19521, Business and Professions Code.

HISTORY:
1. Amendment filed 9-7-11; effective 10-7-11.

1499. Qualifications for Jockey.
No person under 16 years of age shall be granted a jockey's license nor a license as apprentice jockey. No person whose riding weight at the time of application exceeds 125 pounds shall be licensed as a jockey or apprentice jockey. No person who has never ridden in a race at a recognized meeting shall be granted a license as jockey or apprentice jockey; provided, however, that upon the recommendation of the stewards the Board may issue a temporary license to or otherwise grant permission to such person for the purpose of riding in not more than four races to establish the qualifications and ability of such person for the license.

1500. Apprentice Jockey.

(a) An apprentice jockey is a race rider who has ridden less than 40 winners or less than two years since first having been licensed in any racing jurisdiction, and who otherwise meets the license qualifications of a jockey.

(b) The apprenticeship of an apprentice jockey shall automatically terminate one year from the date of the tenth (10th) winning ride of the apprentice jockey, or on the date of the (40th) winning ride of the apprentice jockey, whichever comes later. No apprenticeship shall extend for more than two years from the date of the tenth (10th) winning mount, except for good cause the Board may extend the termination date of an apprenticeship or amend the conditions under which the apprenticeship is granted.

(c) Any combination of Thoroughbred, Appaloosa, Arabian or Paint races at authorized race meetings in the United States, Canada or Mexico which are reported in the Daily Racing Form or other recognized racing publications shall be considered in determining eligibility for license as an apprentice jockey; provided, however, that any person who has ridden as a licensed jockey in any racing jurisdiction shall have the burden to establish that the granting of an apprentice jockey license to him or her is in the best interests of the rider and of Thoroughbred, Appaloosa, Arabian or Paint racing in this State. Nothing herein shall prohibit an apprentice jockey contract between the apprentice and a qualified employer.

(d) An applicant for apprentice jockey may be prohibited from riding until the Board of Stewards or the California Horse Racing Board (CHRB/Board) have sufficient opportunity (not to exceed 14 days) to verify the applicant's previous riding experience.

(e) The conditions of an apprentice jockey license do not apply to quarter horse racing. A jockey's performances in quarter horse racing do not apply to the conditions of an apprentice jockey license.

(f) An individual seeking to become an apprentice jockey may obtain an apprentice certificate by submitting a form provided by the Board and obtaining approval from the Board of Stewards. An individual shall not receive more than one apprentice license. In case of emergencies, a copy of the original certificate may be obtained from a CHRB office.

(g) An applicant with an apprentice certificate approved by the Board of Stewards may be licensed as an apprentice jockey. The apprentice certificate will grant an apprentice jockey all the allowances and conditions as stated in this rule, and Rule 1619, Apprentice Jockey Allowance.

(h) An apprentice jockey that has ridden less than ten (10) winners may not accept mounts on two-year-olds, first time starters, or in turf races, without the prior approval of the Board of Stewards.

(i) The apprentice jockey will be responsible to have their apprentice certificate with them at all times. Prior to riding, the apprentice certificate will be submitted to the clerk of scales at each racing association in which the apprentice is licensed and riding.

(j) (1) The Board of Stewards shall extend the time during which a weight allowance may be claimed when an apprentice jockey is unable to continue riding due to:

(A) Service in the national armed forces;
(B) Enrollment in an institution of secondary or higher education;
(C) Restrictions on racing;
(D) Physical disablement or illness;
(E) Pregnancy;

(2) The Board of Stewards may extend the time during which a weight allowance may be claimed for other hardship outside of the control of the apprentice jockey.

(k) To qualify for an extension, an apprentice jockey shall have been rendered unable to ride for a period of seven (7) consecutive days or more after the date of their tenth (10th) winning mount during the period in which the apprentice was entitled to an apprentice weight allowance.

(l) An apprentice jockey shall submit an Apprentice Jockey Extension Form CHRB-248 (New 08/22), which is hereby incorporated by reference, to a CHRB licensing office if they meet the requirements of subsection (j).

(1) When submitting Form CHRB-248, the apprentice jockey shall produce documentation verifying

time lost due to the reason(s) defined in subsection (j).

(2) All other requests for extensions shall be directed to the jurisdiction that approved the apprentice license or certificate.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19440 and 19460, Business and Professions Code.

HISTORY:
1. Amendment filed 3-18-97; effective 4-17-97.
2. Amendment of subsection (b) and new subsections (d)-(*l*)(2) filed 11-29-2023; operative 1-1-2024 (Register 2023, No. 48).

1500.1. Random Drug Testing.

(a) To ensure the safety and integrity of horse racing, jockeys, apprentice jockeys and drivers are subject to random drug testing, as well as testing based upon reasonable suspicion, as provided in this Division. Failure to submit to or to complete a drug test at the time, location, and manner directed by the Board or its representatives shall constitute a refusal to be tested. A jockey, apprentice jockey or driver who fails to submit to or to complete a drug test shall immediately be prohibited from riding or driving in any race at a facility under the jurisdiction of the Board until a negative test result is achieved.

(1) Random drug testing shall be conducted at the direction of the Executive Director on an unannounced basis before or after the jockey's or driver's performance of duties. The names of all jockeys, apprentice jockeys or drivers who appear on the official program the day random drug testing is conducted shall be placed in a secured container which shall be in the custody of the supervising investigator. Prior to the first race of the program, the supervising investigator shall draw nine names. If a name is selected more than once during a race meeting, it shall be eliminated and another selection made.

(2) Representatives of the Jockey's Guild or the California Harness Horsemen's Association may attend and witness the random selection of names.

(3) For race meetings with duration of up to five months, random drug testing shall occur at least once during the course of the meeting. For the purposes of this regulation, the Northern California fair circuit shall be considered as one race meeting.

(4) For race meetings with duration of six or more months, random drug testing shall occur at least twice during the course of the meeting.

(b) Each urine specimen received from a jockey, apprentice jockey or driver shall be divided into two separate parts. One portion shall be designated as the official jockey/driver test sample and shall be tested by a Board approved official laboratory. The remaining portion of the specimen shall be known as the jockey/driver split sample and shall be available for testing at a Board approved independent laboratory upon the request of the individual who provided the specimen. The Board makes no guarantees as to the amount of the specimen that will be available for the jockey/driver split sample. All specimens taken by representatives of the Board are under the jurisdiction of and shall remain the property of the Board at all times.

(1) For the purposes of this regulation "Board approved official laboratory" and "Board approved independent laboratory" means a California laboratory certified by the United States Department of Health and Human Services under the National Laboratory Certification Program as meeting the minimum standards to engage in urine drug testing for federal agencies. A list of certified laboratories shall be available at the CHRB headquarters office.

(2) Each urine specimen shall be tested for the following prohibited drugs or classes of drugs:
(A) Marijuana metabolites.
(B) Cocaine metabolites.
(C) Amphetamines.

(D) Opiate metabolites.
(E) Phencyclidine (PCP).

(c) The Board approved official laboratory shall immediately and confidentially report to the Executive Director or his designee any positive finding for any of the drugs or classes of drugs described in subsection (b)(2)(A) through (b)(2)(E) of this regulation. The Board approved official laboratory shall also transmit a confidential written report of the finding to the Executive Director within five working days after the notification is made.

(d) When the Executive Director or his designee is notified of a positive finding by the Board approved official laboratory, the Executive Director or his designee shall notify a supervising investigator. The supervising investigator shall confidentially notify the jockey, apprentice jockey or driver who shall:

(1) Immediately be prohibited from riding or driving in any race at a facility under the jurisdiction of the Board, and

(2) Shall have 72 hours from the date he or she is notified to request that the jockey/driver split sample of the official jockey/driver test sample that was found to contain a prohibited drug or class of drug, be tested by an Board approved independent laboratory.

(e) If the jockey, apprentice jockey or driver wishes to have the jockey/driver split sample tested, he or she shall comply with the following procedures:

(1) The request shall be made on the form CHRB-217 (New 3/11) Request to Release Jockey/Driver Split Sample, which is hereby incorporated by reference. Form CHRB-217 shall be made available at all CHRB offices, and at the CHRB website.

(2) The jockey, apprentice jockey or driver requesting to have the jockey/driver split sample tested shall be responsible for all charges and costs incurred in transporting and testing the jockey/driver split sample. By signing CHRB-217 the jockey, apprentice jockey or driver certifies he or she has made arrangements for payment to the designated independent Board approved laboratory for laboratory testing services.

(3) Verification of payment for costs incurred in transporting and testing the jockey/driver split sample must be received by the CHRB within five working days from the CHRB receipt of CHRB-217. If such verification of payment is not received, the jockey/driver split sample will not be released or shipped to the designated Board approved independent laboratory and the jockey, apprentice jockey or driver will have relinquished his/her right to have the split sample tested. If a complaint issues, the only test results that will be considered will be the results from the Board approved official laboratory.

(f) Upon receipt of a valid request on CHRB-217, CHRB-217A (New 3/11) Authorization to Release Jockey/driver Split Sample Evidence, which is hereby incorporated by reference, shall be completed and the Board shall ensure that the jockey/driver split sample is sent to the designated Board approved independent laboratory for testing.

(1) If the findings by the Board approved independent laboratory fail to confirm the findings of a prohibited drug or class of drug as reported by the Board approved official laboratory, it shall be presumed that a prohibited drug or class of drug was not present in the official jockey/driver test sample.

(g) A jockey, apprentice jockey or driver who fails to request the testing of the jockey/driver split sample in accordance with the procedures specified in this rule shall be deemed to have waived his or her right to have the split sample tested.

(h) Unless or until the Board files an official complaint or accusation, results of the official jockey/driver test sample and the jockey/driver split sample shall be, and shall remain confidential. No test results may be released to any person or organization unless such release is explicitly required under this regulation. Only the Executive Director or the Executive Director's designee, the Board, and the jockey, apprentice jockey or driver shall receive the results.

(i) The Board may take into consideration the possession of a valid and current Medical Marijuana Program Identification Card issued in accordance with the Medical Marijuana Program of the California Department of Public Health in determining whether or not to file an official complaint or accusation

against a jockey, apprentice jockey or driver who tests positive for marijuana metabolites.
(j) For the purposes of this regulation, random drug testing shall be accomplished by the taking of urine specimens; however, the Board retains the right to direct a jockey, apprentice jockey or driver to submit to a drug test by methods including, but not limited to, blood, hair follicle or skin.

NOTE:
Authority cited: Sections 19420, 19440 and 19520, Business and Professions Code.
Reference: Section 19440, 19520 and 19521, Business and Professions Code.

HISTORY:
1. New rule filed 9-7-11; effective 10-7-11.

1501. Worker's Compensation Insurance Required.
(a) No person may be licensed as a trainer, owner, trainer-driver, or in any other capacity in which such person acts as the employer of any other licensee at any authorized race meeting, unless his liability for worker's compensation has been secured in accordance with the Labor Code of the State of California and until evidence of such security for liability is provided the Board. Should any such required security for liability for worker's compensation be cancelled or terminated, any license held by such person shall be automatically suspended and shall be grounds for revocation of the license. The trainer of a public stable shall provide evidence that the policy of insurance securing his liability for worker's compensation has been endorsed or amended to include, as an additional insured, each person for whom he trains horses to the extent that such person is exposed to liability as the employer of a jockey, unless such person has procured coverage for such exposure and has furnished evidence of such coverage to the Board.
(b) No licensee, for the purpose of avoiding the requirements for workmen's compensation insurance as set forth in this article, shall place any horse in the care of or attendance of any other person.

NOTE:
Authority cited: Sections 19420, 19440, 19460, and 19464, Business and Professions Code.
Reference: Sections 19420, 19440, 19460, and 19464, Business and Professions Code.

HISTORY:
1. Amendment filed 10-6-78; effective 11-5-78.
2. Amendment filed 01-21-21; effective 04-01-21.

1502. Program Training Prohibited.
(a) Program training is prohibited. Any licensee engaged in program training may be suspended or fined by the stewards.
(b) Program training occurs when:
(1) A licensed trainer is identified as the trainer of record in the official program but has not engaged in the actual training of the horse either personally or through the assistant trainer.
(c) Actual training, as it is used in this regulation, shall mean any responsibility required of a licensed trainer under this division or any act traditionally performed by a licensed trainer including but not limited to:
(1) Determining when a horse will walk, gallop, or workout;
(2) Determining the feed or supplements given to the horse;
(3) Consulting with a licensed veterinarian when needed.

NOTE:
Authority cited: Sections 19420, 19440, and 19460, Business and Professions Code.

Reference: Sections 19420, 19440, and 19460, Business and Professions Code.

HISTORY:
1. Amendment filed 01-21-21; effective 04-01-21.

1503. Qualifications for License as Trainer or Assistant Trainer.

(a) Except as otherwise provided under this article, an applicant for an original license as assistant trainer shall, prior to issuance of a license, pass the written, oral, and practical portions of the trainer examination as prescribed by the Board and administered by its agents.

(1) A score of 80 percent for each portion constitutes a passing grade for the trainer examination.

(2) An applicant who fails any portion of the trainer examination may not apply for reexamination for at least 90 days from the date of the failed examination, and the examination shall be retaken in its entirety.

(3) An applicant who fails the trainer examination three times in a calendar year may not apply for reexamination for at least one year from the date of the third failed examination.

(4) The trainer examination shall be scheduled not less than once a month at a time and location designated by the Board.

(b) Except as otherwise provided under this article, an applicant for an original license as trainer shall:

(1) Hold a CHRB assistant trainer license in good standing for a minimum of one year prior to application for license as trainer.

(2) Have worked in this state as a licensed assistant trainer in the employment of a CHRB licensed trainer for at least one year.

(3) Submit a California Horse Racing Board Trainer Recommendation Card, Form CHRB-59C (Rev. 05/20) (CHRB-59C), which is hereby incorporated by reference. The CHRB-59C shall be signed by a steward and a CHRB-licensed trainer who is in good standing, and who has employed the applicant as a licensed assistant trainer. An applicant who has been employed by more than one CHRB licensed trainer may submit multiple recommendation cards if he or she worked as a licensed assistant trainer in this state for a total of at least one year. The CHRB-59C is available at CHRB licensing offices, at live race meetings, and CHRB headquarters offices.

(A) By signing the CHRB-59C, the trainer certifies that the applicant worked for him or her as a licensed assistant trainer, and satisfactorily performed the duties of a licensed assistant trainer while under his or her employ. The trainer shall also include the length of time he or she employed the applicant as a licensed assistant trainer on the recommendation card.

(B) By signing the CHRB-59C, the steward certifies that the applicant has passed the written, practical, and oral portions of the trainer examination, and has maintained an assistant trainer license for a minimum of one year in good standing.

(c) Notwithstanding the above, an applicant who is currently licensed by another racing jurisdiction as a trainer or assistant trainer, and has held the license for a minimum of one year in good standing, shall make an application for license as trainer or assistant trainer under Rules 1481 and 1483 of this division. The applicant shall appear before the Board of Stewards and they may subject him/her to any portion of the trainer examination described in subsection (a)(1).

(1) An applicant who fails to achieve a passing score of 80 percent on the portion(s) of the trainer examination administered under this subsection shall be subject to the provisions of subsections (a)(2) and (a)(3).

(d) An individual currently licensed as a trainer or assistant trainer who wishes to change his or her license from harness to other types of flat racing, or other types of flat racing to harness, is subject to the requirement under subsection (a).

NOTE:
Authority cited: Sections 19420, 19440 and 19460, Business and Professions Code.
Reference: Sections 19420, 19440, 19460 and 19510, Business and Professions Code.

HISTORY:
1. New rule filed 4-5-94; effective 5-5-94.
2. Amendment filed 12-6-99; effective 12-6-99.
3. Amendment filed 9-15-20; effective 1-1-21.

1503.5. Continuing Education for Trainers and Assistant Trainers.

(a) Commencing June 1, 2021, an applicant for renewal of license as trainer or assistant trainer shall certify that during the preceding 36-month period, they have completed a total of 12 hours of approved continuing education (ACE) coursework.

(1) Certification of completion of ACE coursework shall be provided on form CHRB-59a, Certification of Approved Continuing Education (ACE) Coursework (New 12/20), which is hereby incorporated by reference. Form CHRB-59a shall be submitted with the application for renewal of license.

(b) Licensees shall maintain evidence of completed ACE coursework for a period of four years from the date the course was completed and shall provide records of completion to the Board upon request. Completed ACE coursework may be recorded on a form provided by an ACE course, meeting or conference, or shall otherwise be recorded on form CHRB-242, Continuing Education Certificate of Attendance (New 12/20), which is hereby incorporated by reference. Form CHRB-242 shall be available at all CHRB offices and on the Board's website. Any record of completed ACE coursework shall state at least:

(1) the title of the ACE course, meeting or conference;

(2) the date, location and provider of the ACE course, meeting or conference; and

(3) the number of continuing education hours earned.

(c) Unless a waiver is granted under subsection (e), an application for license renewal will be denied if a form CHRB-59a is not submitted at the time of renewal.

(d) The stewards shall take action, which may include imposing fines and/or license suspension, against any trainer or assistant trainer who is found to have provided false certification of completed ACE coursework or who fails to produce records of completed ACE coursework upon the Board's request.

(e) The stewards shall waive the requirements of subsection (a) for applicants for renewal of license as trainer or assistant trainer if the trainer or assistant trainer is not domiciled in California and has had twelve or fewer starts in races in California during the previous 36-month period. Stakes races shall not be counted in the number of starts.

(1) Requests for waivers under subsection (e) shall be submitted to the Board of Stewards at least 14 days before the time of application for renewal of license on form CHRB-59b, Request for Waiver of Approved Continuing Education (ACE) Requirements (New 12/20), which is hereby incorporated by reference. If approved, the signed form CHRB-59b shall then be submitted with the application for renewal of license.

(f) The requirements of subsection (a) may be waived at the time of application for good cause conditioned upon completion of the requirements within 12 months from the date of renewal of license.

(1) A licensee granted a waiver under subsection (f) shall submit a form CHRB-59a to the Board within 12 months from the date of renewal of their license.

(A) The stewards shall take action, which may include imposing fines and/or license suspension, against any trainer or assistant trainer who fails to submit to the Board a form CHRB-59a within 12 months from the date of renewal of license after being granted a waiver under subsection (f).

(2) "Good cause" includes, but is not limited to, a change in the licensee's state of domicile within 12 months preceding the application for renewal of license, and not having acted as a trainer or assistant trainer for at least the preceding 12 months from the time of application for renewal of license.

(3) Requests for waivers under subsection (f) shall be submitted to the Board of Stewards at least 14 days before the time of application for renewal of license on form CHRB-59c, Request for Waiver

of Approved Continuing Education (ACE) Requirements for Good Cause (New 12/20), which is hereby incorporated by reference, accompanied by a written explanation justifying the request. If approved, the signed form CHRB-59c shall then be submitted with the application for renewal of license.

(g) Denial of a waiver will result in the applicant being ineligible for renewal of license until they have completed the requirements of subsection (a).

(h) The Equine Medical Director (EMD) and the Executive Director (ED), in consultation with the California Thoroughbred Trainers, shall approve proposed ACE courses.

(1) The EMD and ED shall evaluate proposed ACE courses according, but not limited, to the following criteria:
   (A) whether the coursework fosters competence and knowledge in horsemanship;
   (B) whether the coursework promotes compliance with California's horse racing laws;
   (C) whether the coursework promotes equine health, safety and welfare in racing; and
   (D) whether the coursework promotes integrity, human resource training and human safety and welfare.

(2) A current list of approved ACE courses shall be available at all CHRB offices and on the Board's website. The list shall include the hours credited to each ACE course.
   (A) The hours credited to an ACE course shall be assigned by the EMD, and shall be determined by factors including, but not limited to, difficulty of subject matter, expected learning outcomes and the actual time necessary to complete the course.

(3) The EMD and ED may remove courses from the approved ACE course list for reasons including, but not limited to:
   (A) irrelevance of coursework due to advancements in technology;
   (B) inconsistency of coursework with subsequent changes in law; and
   (C) discontinuance of course offering by the provider.

(4) If a licensee has completed ACE coursework and the course is subsequently removed from the list of approved ACE courses, the coursework completed by the licensee will satisfy the requirements of subsection (a).

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19420, 19440 and 19460, Business and Professions Code.

HISTORY:
1. New rule file 2-4-21; effective 2-4-21.

1504. Qualifications for License as Farrier.

Except as otherwise provided under this article, an applicant for an original license as a farrier shall take and pass a Farriers Examination prior to issuance of a license. An applicant shall:

(a) Complete and pass the written and the practical portions of the examination as prescribed by the Board and administered by its agents.

(b) A score of 80% shall constitute a passing grade on the written portion of the Farriers Examination.

(c) A passing score in all areas of the practical examination, which is weighted pass/fail, shall constitute a passing grade on the practical portion of the Farriers Examination.

(d) An applicant who fails one or both portions of the Farriers Examination may apply to retake the failed portion at the next regularly scheduled Farriers Examination.

NOTE:

Authority cited: Sections 19440, 19460 and 19520, Business and Professions Code.
Reference: Sections 19420, 19440, 19460, 19510 and 19520, Business and Professions Code.

HISTORY:
1. New rule filed 7-21-94; effective 8-20-94.

1504.5. Provisional Exercise Rider and Exercise Rider.

No person may be licensed as an exercise rider who is not currently licensed in good standing as a provisional exercise rider, unless such person was or is currently licensed as a jockey, apprentice jockey or an exercise rider in good standing in California, or in another racing jurisdiction.

(a) Except as otherwise provided under this article, an applicant for a provisional exercise rider license shall provide evidence that a California licensed trainer employs him or her by submitting a notarized Provisional Exercise Rider Agreement CHRB-213 (New 10/08), which is hereby incorporated by reference. The notary acknowledgement is not necessary if the CHRB-213 is signed before a Board employee. The CHRB-213 shall be available at Board licensing offices at live race meetings, and at Board headquarters offices.

(b) A licensed provisional exercise rider shall:

(1) Not enter the track without the permission of the outrider and, unless the outrider states otherwise, shall be accompanied by the mounted trainer/employer or the trainer's assistant trainer while on the track.

(2) While on the track wear a helmet cover and vest cover of a distinctive color as determined by the outrider.

(c) A provisional exercise rider may apply for license as exercise rider 60 calendar days after the date of issue of his or her provisional exercise rider license.

(1) At the time of application for license as exercise rider, the provisional exercise rider shall submit a recommendation card form California Horse Racing Board CHRB-59 that has been signed by the outrider, the starter and a steward. The recommendation card is available at Board licensing offices at live race meetings, and Board headquarter offices. By signing the recommendation card the outrider, the starter and the steward certify that the applicant has:

(A) Been observed riding one or more horses on the racetrack to the extent necessary for the outrider and starter to determine if the applicant has demonstrated an ability to safely navigate and respond to track conditions and knowledge of starting gate procedures.

(B) Complete and pass a written examination prescribed by the Board and administered by its agents. A score of 80 percent shall constitute a passing grade on the written examination.

(d) An applicant who fails to adequately demonstrate horsemanship or who fails the written examination may reapply for a license as exercise rider after a period of at least one month, but not more than six months, and retake the failed portion. After a six-month period the applicant must demonstrate horsemanship, and pass the written examination, as required under subsections (c)(1)(A) and (c)(1)(B) of this regulation.

(e) Persons working at harness meetings may not sign a CHRB-59 for flat racing.

NOTE:
Authority cited: Sections 19420, 19440 and 19520, Business and Professions Code.
Reference: Sections 19420, 19440 and 19520, Business and Professions Code.

HISTORY:
1. New rule filed 3-5-09; effective 4-4-09.

1505. Qualifications for License as Horse Owner.

(a) No person may be licensed as a horse owner who is not the owner of record of a properly registered race horse which is in the care of a licensed trainer, or

(1) who does not have an interest in such race horse as a co-owner, part owner, or lessee, or

(2) who is not the responsible managing employee of a corporation or a limited liability company (Corporations Code section 17000 et seq.) which is the legal owner of such horse.

(b) No person licensed by the Board as a jockey, apprentice jockey, racing official, assistant starter or veterinarian's assistant shall be licensed also as a horse owner.

(c) A horse owner's license shall be granted to individual natural persons only.

(d) An applicant for renewal of a horse owner license whose license is in good standing with the Board, but who is not the owner of record of a properly registered race horse which is in the care of a licensed trainer, or who does not have an interest in such race horse as a co-owner, part owner, or lessee, may renew such license as horse owner.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19460 and 19520, Business and Professions Code.

HISTORY:
1. Amendment filed 8-14-98; effective 9-13-98.
2. Amendment filed 11-17-08; effective 12-17-08.

1506. Horse Ownership by Corporation or Limited Liability Company.

If the legal owner of any race horse is a corporation or a limited liability company (Corporations Code section 17000 et seq.), the corporation or limited liability company shall appoint one or more responsible managing employee(s) who, if qualified, may be granted a license as Horse Owner. Such employee accepts and assumes all responsibilities of an owner.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19460 and 19520, Business and Professions Code.

HISTORY:
1. Amendment filed 8-14-98; effective 9-13-98.

1507. Partnerships.

All general partners in the partnership owning a race horse assume equal responsibilities of ownership, and all such general partners are required to be licensed, irrespective of the percentage of partnership held. No limited partner may be granted a license as horse owner.

1508. Statements of Partnerships.

(a) All statements of partnerships and the relative proportion of ownership interest, the terms of sales with contingencies, arrangements, or leases, shall be filed with the paymaster of purses of the association and with the Board, and shall declare:

(1) to whom winnings are payable,

(2) in whose names the horse is run if more than three persons comprise the partnership, and

(3) with whom rests the power of entry.

(b) The part owner of any horse may not assign his share or any part of it without the written consent of the other partners. The consent shall be filed with the paymaster of purses.

(c) No part owner or lessee of a racehorse is qualified for a license as horse owner until he has complied with this rule.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420, 19440, 19460 and 19461, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1509. Use of License Required.
Every licensee, in order to maintain his qualifications for any license held by him, must have been regularly engaged in the occupation for which the license was issued for no less than 21 working or racing days during the term of the license. Should a licensee not be so engaged for the period required, the Board may require that such licensee or applicant for renewal of a license re-establish his qualifications for such license.

1510. Knowledge of Rules.
Every licensee, in order to maintain his qualifications for any license held by him, shall be familiar with and knowledgeable of the rules including all amendments thereto. Every licensee is presumed to know the rules.

TITLE 4, DIVISION 4, ARTICLE 5. RACING OFFICIALS

1520. Racing Officials.
The racing officials of a race meeting, unless otherwise ordered by the Board, are: the stewards, the associate judges, the placing judges, the paddock judge, the patrol judges, the starter, the clerk of scales, the official veterinarian, the racing veterinarian, the horse identifier, the horseshoe inspector, the timers, and the clerk of the course.

NOTE:
Authority cited: Sections 19440, 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

HISTORY:
1. Amendment filed 6-25-76; effective 7-25-76.
2. Amendment filed 4-12-79; effective 5-12-79.

1521. Responsibility to the Board.
The racing officials are strictly responsible to the Board for the performance of their respective duties, and they shall promptly report to the Board or its stewards, any violation of the rules and regulations of the Board coming to their attention or of which they have knowledge. Any racing official who fails to exercise due diligence in the performance of his duties shall be relieved of his duties by the stewards and the matter referred to the Board.

1523. Racing Officials Subject to Approval.
Every racing official is subject to prior approval by the Board before being eligible to act as a racing official at a race meeting. At the time of making application for a racing license the association shall nominate the racing officials other than the racing officials appointed by the Board and after issuance of license to the association there shall be no substitution of any racing official except with approval of the stewards or the Board.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Section 19510, Business and Professions Code.

HISTORY:

1. Amendment filed 4-21-83; effective 5-21-83.

1525. Racing Officials Appointed by the Board.
The Board shall appoint the following racing officials for a race meeting: The stewards, the official veterinarian, and the official horse identifier.
HISTORY:
1. Amendment filed 4-11-78; effective 5-11-78.

1527. General Authority of Stewards.
The stewards have general authority and supervision over all licensees and other persons attendant on horses, and also over the inclosures of any recognized meeting. The stewards are strictly responsible to the Board for the conduct of the race meeting in every particular.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 4-16-02; effective 5-16-02.

1528. Jurisdiction of Stewards to Suspend or Fine.
The stewards' jurisdiction in any matter commences at such time as entries are taken for the first day of racing at the meeting and extends until thirty (30) days after the close of such meeting. However, the Executive Director of the Board may delegate the authority to adjudicate any matter occurring at any racing meeting to another Board of Stewards if the matter is not resolved after the conclusion of the thirty (30) days. The stewards may suspend the license of anyone whom they have the authority to supervise or they may impose a fine or they may exclude from all inclosures in this State or they may suspend, exclude and fine. All such suspensions, fines or exclusions shall be reported immediately to the Board.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 10-20-81; effective 11-19-81.
2. Amendment filed 11-29-94; effective 12-29-94.

1529. Referral to the Board.
The stewards may refer any matter within their jurisdiction to the Board when the penalty the stewards have jurisdiction to impose is insufficient when a hearing cannot be held under the conditions or in the manner prescribed, when a hearing is impractical due to conclusion of the meeting, or for other good and sufficient cause, and they may order the suspension of the licensee pending further Order of the Board. In such event, the Board shall accept the matter for hearing and adjudication or such other action as the Board deems to be in the best interests of justice.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19460 and 19461, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1530. Cases Not Covered by Rules and Regulations.
Should any case occur which may not be covered by the Rules and Regulations of the Board or by other accepted rules of racing, it shall be determined by the stewards in conformity with justice and in the interest of racing.

1531. Vacancy Among Racing Officials.
Where a vacancy occurs among the racing officials the stewards shall fill the vacancy immediately. Such appointment is effective until the vacancy is filled in accordance with the rules.

1532. Payment of Fines.
(a) All fines imposed by the stewards shall be paid by the person upon whom such fine has been imposed to the paymaster of purses within seven calendar days after imposition and no person shall fail to pay a fine within the time limit it is due except when the imposition of such fine is ordered stayed by the stewards, the Board or a court having jurisdiction.

(1) Official ruling shall state that fines shall be paid within seven calendar days from the date of the ruling, or the license of the person upon whom the fine has been imposed shall be suspended.

(b) On the first working day of each week of the meeting, the paymaster of purses shall provide the Board with a record of the full name of any person at the meeting upon whom a fine was imposed, the steward's ruling number, the date upon which the fine was imposed, and the date upon which the fine was paid. Within ten calendar days after the conclusion of the meeting the paymaster shall forward the collected fines and the record of such fines to the Executive Director of the Board.

(1) A paymaster of purses who receives payment for a fine imposed at a meeting other than the one at which the fine is paid shall record the full name and occupational license number of the person upon whom the fine was imposed, the racetrack at which the fine was imposed, the date and number of the steward's ruling, and the date upon which the fine was paid. The paymaster of purses shall forward the collected fines and the record of such fines in accordance with subparagraph (b) of this rule.

(c) Any fine imposed by the Board shall be paid within seven calendar days to the Executive Director of the Board or as may be otherwise ordered by the Board.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19461 and 19640, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 1-4-94; effective 2-3-94.
3. Amendment filed 6-7-94; effective 7-7-94.

1536. Stewards' Minutes.
(a) The stewards shall maintain minutes and records of all proceedings before the stewards that shall contain:

(1) the record of votes,
(2) a record of all actions taken, and
(3) the penalties imposed along with the reasons for the actions.

A majority vote of the stewards shall govern and, in the event of a split vote, each steward shall file a separate report on the matter. The stewards shall submit their original minutes to the Executive Director weekly, and shall deliver a copy of their minutes to each member of the Board.

(b) A report of all on-track accidents involving jockeys or drivers on form Jockey/Driver Accident Report

CHRB-201 (Rev. 2/14), which is hereby incorporated by reference, shall be attached to the stewards' minutes.
(c) A report of all on-track accidents involving exercise riders, or employees in a jog cart or sulky not engaged in a race, on form Training Accident Report CHRB-201A (New 2/14), which is hereby incorporated by reference, shall be attached to the stewards' minutes.
(1) For the purposes of this regulation "employee" means a person engaged to drive a jog cart or sulky at a standardbred facility.

NOTE:
Authority cited: Sections 19420, 19440 and 19481.3(e), Business and Professions Code.
Reference: Sections 19432, 19440 and 19481.3(e), Business and Professions Code.

HISTORY:
1. Amendment filed 4-11-78; effective 5-11-78.
2. Amendment filed 4-21-83; effective 5-21-83.
3. Amendment filed 6-7-94; effective 7-7-94.
4. Amendment filed 1-11-07; effective 2-10-07.
5. Amendment filed 9-8-2014; effective 1-1-2015.

1537. Record and Transcript of Hearing.
(a) A verbatim record shall be made of all hearings before the stewards in any matter other than those relating solely to riding infractions where the penalty imposed by the stewards is ten (10) days or less suspension, or those relating to license application recommendations.
(b) Notwithstanding subsection (a), and at the stewards' discretion, the racing association shall provide either a certified court reporter or electronic recording equipment to record all hearings. Such recording equipment shall include, but not be limited to, tape recorder(s), at least three (3) microphones and a sufficient supply of recording tapes.
(c) The cost of such reporter and recording equipment shall be assumed by the racing association conducting the racing meeting. The taped recording(s) shall be stored and maintained by the Board for a minimum of sixty (60) days after the initial hearing or in the event an appeal is filed, a minimum of sixty (60) days after an appeal is heard and decided by the Board.
(d) Upon the request of the Executive Director or his/her designee, the racing association shall furnish an original and two copies of the hearing transcript to the Executive Director.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19432 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 11-29-93; effective 12-29-93.
2. Amendment filed 6-7-94; effective 7-7-94.
3. Amendment filed 10-15-96; effective 11-14-96.

1538. Duty of Disclosure.
It is the duty and obligation of every licensee to make full disclosure to the Board at a hearing before the Board or to the stewards at a hearing before the stewards of any knowledge he possesses of a violation of any racing law or of the rules and regulations of the Board, and no person may refuse to testify before the stewards at any hearing on any relevant matter within the authority of the stewards, except in the proper exercise of a legal privilege, nor shall any person testify falsely before the stewards.

1539. Representation at Hearing.

Every person who is called to testify before the stewards is entitled to have counsel or an observer of his choosing present at the hearing; provided, however, that such counsel or observer shall only participate under such conditions or in such manner as the stewards may direct.

1541. Power to Order Examination of Horse.
At any time the stewards may order an examination of any horse within the inclosure, by such persons as they see fit, and may order the examination of any ownership papers, certificates, documents or eligibility, contracts or leases pertaining to such horse, and they may require an affidavit of ownership or interest in any horse.

1542. Power to Refuse Entry and Deny Eligibility.
For good cause, the stewards may refuse the entry to any race, or declare ineligible to race and order removed from the premises, any horse.

1543. Stewards to Determine Fouls and Extent of Disqualification.
The stewards shall determine the extent of disqualification in cases of fouls or riding or driving infractions. They may place the offending horse behind such other horses as in their judgment it interfered with, or they may place it last.

1544. Calling off Race.
(a) If the stewards determine a race cannot start before midnight or cannot be conducted in accordance with the Board's rules and regulations, they shall cancel and call off such race.
(b) The stewards may declare a race no contest if mechanical failure or interference during the running of the race affects the majority of horses in such race.
(c) Any wagers on races called off, canceled, or declared no contest shall be refunded, and no purse, prize or stakes shall be awarded.
(d) If a race is called off, canceled, or declared no contest, any submitted claims shall be void.
(e) A race shall be canceled if no horse covers the course.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 11-22-06; effective 12-22-06.

1545. Substitution of Jockey or Trainer.
(a) In the event a jockey who is named to ride on a mount in a race is unable to fulfill his engagement and is excused by the stewards, the trainer of the horse may select a substitute jockey or, if no satisfactory substitute jockey is available, may elect that the stewards declare the horse from the race.
(b) In the absence of the trainer of the horse, the stewards may place the horse in the temporary charge of a substitute trainer of their selection.

1546. Complaints Against Officials.
Any complaint against a racing official other than a steward shall be made to the stewards in writing and signed by the complainant. All such complaints shall be reported to the Board by the stewards together with a report of the action taken or the recommendation of the stewards. Complaints against any steward shall be made in writing to the Executive Director of the Board and signed by the complainant.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.

Reference: Sections 19420, 19440 and 19510(c), Business and Professions Code.

HISTORY:
1. Amendment filed 6-7-94; effective 7-7-94.

1547. Failure to Appear.
Any licensee who fails or refuses to comply with written or verbal notification to appear before the Board of Stewards shall have their license privileges suspended pending their appearance before the Board of Stewards. Failure to appear shall be a separate cause for disciplinary action.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19460 and 19461, Business and Professions Code.

HISTORY:
1. Amendment filed 2-4-97; effective 3-6-97.

1548. Rulings by the Stewards.
(a) Any ruling or order issued by the stewards shall specify:
(1) the full name of the licensee or person subject to the ruling or order;
(2) the date of birth of the licensee or person subject to the ruling or order, if known;
(3) the rule or regulation violated; and
(4) the penalty imposed.
(b) Any person affected by any ruling or order shall be notified.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code. Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending section and adding new Note filed 12-6-99 pursuant to section 100, title 1, California Code of Regulations.
2. Amendment of subsections (a)(2)-(3) filed 6-23-2025; effective 10-1-2025.

1549. Recommendation of Discipline.
A racing official may recommend to the stewards that disciplinary action be imposed upon any licensee for a violation of any rule or regulation or for any other misconduct by such licensee.

1550. Steward's List.
The stewards shall maintain a Steward's List of those horses which are ineligible to start or be entered in any race because of poor or inconsistent performance. The stewards may place on such list any horse which, in their opinion, has run an unsatisfactory race and its entry to any race shall be thereafter refused until it is demonstrated to the stewards that it should be removed from the list.

1551. Starter's List.
The starter shall maintain the Starter's List and all horses shall be schooled to the starting gate, if and when required, under the personal supervision of the starter and/or his assistants. The entry of any horse on the Starter's List shall be refused.

1552. Duties of the Starter.
The starter shall give all orders and take all measures not in conflict with the rules as may be required to

insure a fair start. The starter shall appoint his assistants. The starter shall not permit his assistants to handle or take charge of a horse in the starting gate without his express instructions.

1553. Duties of the Paddock Judge.

The paddock judge shall supervise the assembling of the horses scheduled to race and shall have general supervision over the saddling equipment and changes thereof. The paddock judge shall supervise the saddling of horses in the paddock and shall supervise their departure for the post. The paddock judge shall maintain a record of all equipment of a horse saddled for a race and he shall report to the stewards any change therefrom at a subsequent saddling. No change of equipment shall be made without the consent of the stewards.

1554. Duties of Horse Identifier.

(a) The horse identifier shall:

(1) make an inspection of each horse prior to its departure for the post, and scan each horse to verify the horse's microchip number. He or she shall immediately report to the stewards and the paddock judge any horse which is not properly identified, or has any irregularities from the official identification record of the Board, or does not carry a microchip in accordance with Rule 1597.5. If the horse does not carry a microchip or its microchip number cannot be verified, and there is no approved waiver in the racing office, the horse shall be scratched.

(2) inspect, identify, and prepare identification records and photographs of all horses within the inclosure not previously identified in California, as well as verify the microchip number assigned to a horse under the provisions of Rule 1597.5.

(3) inspect documents of ownership, eligibility, registration, or breeding, as may be necessary to insure proper identification of each horse eligible to compete at the race meeting.

(4) supervise and verify the accurate tattooing, microchipping or branding for identification of any horse within the inclosure.

NOTE:
Authority cited: Section 19440 and 19562, Business and Professions Code.
Reference: Sections 19401(a), 19440, and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 1-9-18; effective 12-26-18.

1555. Duties of Horseshoe Inspector.

The horseshoe inspector shall make an inspection of the horseshoes of each horse prior to its departure for the post. He shall report immediately to the stewards any horse which is improperly shod, and he shall maintain a record of the type of shoes worn by each horse. He has the authority to make adjustments and corrections in shoes of any horse as he may deem necessary, subject to the approval of the stewards.

1556. Duties of Patrol Judges.

The patrol judges shall be subject to the orders of the stewards and shall report to the stewards all facts occurring under their observation during the running of a race.

1557. Duties of Timer.

The timer shall record for posting the time of each race.

1558. Duties of Placing Judges.

The placing judges shall occupy the placing judges' stand at the time the horses pass the winning post,

and their duty shall be to place the horses in the order of finish and display results. If the photograph of the finish of the race indicates a close finish, or the placing judges are not unanimous as to the correct order of finish, the photograph shall be submitted to the stewards for examination and for concurrence on the result before the order of finish of the race is displayed or announced. In the case of a dead heat, or disagreement as to the correct order of finish, the decision of the stewards shall be final. In placing the horses at the finish, the position of the horses noses only shall be considered and not any other part of the body.

1559. Duties of Clerk of Scales.

The clerk of scales shall verify the correct weight of each jockey at the time of weighing out and when weighing in, and he shall report any discrepancies to the stewards immediately. The clerk of scales shall notify the stewards of any change of jockeys, or of any extra or special weight declared for any horse, or any overweight, or any alteration of colors. At the close of each day's racing the clerk of scales shall provide the association with a report of the weight carried in every race and the names of the jockeys specifying overweight, if any. He shall provide the paymaster of purses an accounting of the riding fees due each jockey at the end of each racing day. The Clerk of Scales shall be responsible to the stewards for the conduct of the jockeys and their attendants in the jockey room.

1560. Duties of the Official Veterinarian.

The official veterinarian shall be responsible to the stewards for the conduct of horses and their attendants in the receiving and detention barn. They shall have authority and jurisdiction to supervise the Racing Veterinarian and practicing licensed veterinarians and shall enforce the Board's rules and regulations relating to veterinary practices. The official veterinarian shall recommend discipline for the licensed veterinarians who fail to comply with the rules and regulations and accepted veterinary practices. They shall report to the Board the names of all horses humanely destroyed or which otherwise expire at the meeting and the reasons therefor. They shall maintain a list of all infirm horses on the grounds. No official veterinarian, during their term of appointment, shall directly treat or prescribe for any horse registered to race at any recognized meeting except in emergency, the details of which shall be immediately reported to the stewards.

NOTE:

Authority cited: Sections 19440, 19460, and 19562, Business and Professions Code.
Reference: Sections 19440, 19460, and 19562, Business and Professions Code.

HISTORY:

1. Amended 12-21-2020; effective 4-1-2021.

1561. Duties of the Racing Veterinarian.

The Racing Veterinarian shall examine each horse when it is first entered to race at the race meeting and they shall report to the stewards any horse which in their opinion is not of the age or condition which is satisfactory for the type of racing to be conducted at the meeting. The stewards may declare any such horse so reported as ineligible to be entered or started at the meeting until such time as the Racing Veterinarian certifies such horse to be raceably sound. The Racing Veterinarian shall be present in the paddock, on the race course, and at the starting gate during the saddling, the parade, and until the horses are dispatched from the gate for the race, and they shall examine any horse when there is a question as to the physical condition of such horse. They shall report any horse which in their opinion is incapable of physically exerting its best effort to win to the stewards who may declare such horse from the race. The Racing Veterinarian shall examine any horse which appears in physical distress during the race, at the finish of the race and they shall report such horse together with their opinion as to the cause of the distress to the stewards and to the official veterinarian. The Racing Veterinarian has the authority to treat any horse in event of an emergency, accident or injury, and they are authorized to humanely destroy any horse which in their opinion is so seriously injured that it is in the best interests of racing to so act, and every

horse owner and trainer in participating in a race in this State does consent thereto. The Racing Veterinarian shall recommend to the official veterinarian those horses which by reason of physical disability should be placed on the Veterinarian's List and they may recommend removal from the list of those horses which in their opinion can satisfactorily compete in a race.

The Racing Veterinarian shall have direct reporting responsibility to the official veterinarian and the Board of Stewards and in exercising their duties under this section shall make required reports to the official veterinarian and the Board of Stewards as provided herein. No licensed official or other employee of the Association or fair shall have authority to override or interfere with that reporting responsibility or the proper exercise of the duties and responsibilities of the Racing Veterinarian.

NOTE:
Authority cited: Sections 19440, 19460, and 19562, Business and Professions Code.
Reference: Sections 19440, 19460, and 19562, Business and Professions Code.

HISTORY:
1. Amended 12-21-2020; effective 4-1-2021.

1562. Duties of Associate Judges.
An associate judge may perform any of the duties which are performed by any racing official at a meeting, provided such duties are assigned or delegated to him by the Board or by the stewards presiding at that meeting.

NOTE:
Authority cited: Article IV of Section 19b, California Constitution, and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.
Reference: Article IV of Section 19b, California Constitution, and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 6-25-76; effective 7-25-76.

1563. Duties of the Clerk of the Course.
The clerk of the course shall keep a record of all registration certificates or certificates of eligibility deposited with or released by the racing association, shall verify that the said certificates correctly reflect the ownership of the horse for which the certificate applies, shall record when directed appropriate identifying information on the said certificates in the custody of the said clerk of the course, is authorized to make transfers of certificates on horses claimed at the meeting and shall perform such other duties as directed by the stewards.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

HISTORY:
1. New rule filed 4-12-79; effective 5-12-79.

TITLE 4, DIVISION 4, ARTICLE 6. ENTRIES AND DECLARATIONS

1580. Control over Entries and Declarations.
All entries and declarations are under the supervision of the stewards, and they may, without notice,

refuse the entries of any person or the transfer of any entries, and they may also, in their discretion, limit entries by providing that no horse shall be listed for more than one race in any one day.

1581. Racing Secretary to Establish Conditions.

The racing secretary may establish the conditions for any race, the allowances or handicaps to be established for specific races, the procedures for the acceptance of entries and declarations, and such other conditions as are necessary to provide and conduct the association's race meeting. Any conditions that are based on a participating horse's use or non-use of a drug substance or medication, or the presence or lack of presence of a drug substance or medication in a biological test sample taken from a participating horse, shall be agreed to in advance in writing by the acknowledged horsemen's organization, which, in the case of Thoroughbreds, shall be the owner's organization, and approved by the Board before entries are taken for the race. If such conditions are based on the results of a biological test sample other than an official test sample collected by the CHRB, a description of the testing methods and procedures the racing association or fair will use to collect and analyze the biological test samples shall be submitted to the Board for approval. For purposes of this section, "biological test sample" refers to any biological sample, including but not limited to, blood, urine, hair, tissue, or saliva, that is taken from a horse.

NOTE:
Authority cited: Sections 19440 and 19580, Business and Professions Code.
Reference: Sections 19440, 19580, and 19581, Business and Professions Code.

HISTORY:
1. Amendment filed 7-25-16 as an emergency; effective through 1-24-17.
2. Amendment filed 7-26-17; effective 7-26-17.

1581.1. Entries.

(a) No person shall enter or attempt to enter a horse for a race unless such entry is a bonafide entry made with the intention that such horse is to compete in the race for which entry is made.

(1) No horse having been drawn for a post position for any race to be run shall be entered for any subsequent race, other than for a stakes race, until or unless excused by the stewards from the race in which drawn for valid reason or until the race in which it has drawn has been run.

(2) No person shall attempt to enter or enter any horse for a race unless such person is authorized to do so in accordance with the rules.

(3) Every horse drawn in for a post position in a race shall have a jockey or driver named to ride or to drive such horse before the draw is finalized and no jockey or driver shall be named to ride or to drive more than one such drawn horse in each race.

(b) A horse shall not be entered in any race unless:

(1) The horse has been examined by the trainer's attending veterinarian during the seventy-two (72) hours immediately preceding entry to race for the express purpose of evaluating the horse's fitness to race; and

(2) An evaluation has been conducted by the attending veterinarian and a determination has been made that the horse is fit to race.

(A) The examination shall include, but not be limited to, close inspection of the eyes, examination of the legs, and observation of the horse at rest and while in motion.

(B) The attending veterinarian and trainer shall inform the Official Veterinarian of any changes in the horse's fitness after entry and before race day.

(C) The evaluation shall be recorded in the Veterinarian Report in accordance with section 1842.

NOTE:

Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 6-6-80; effective 7-6-80.
2. Amendment filed 1-18-84; effective 2-17-84.
3. Amendment filed 1-9-18; effective 12-26-18.
4. Amendment filed 8-8-19; effective 10-1-19.
5. Amendment filed 11-10-21; effective 1-1-22.

1581.2. Prohibition on Entering of Pregnant Mares Beyond 120 Days Gestation.
Notwithstanding Rule 1664 of this division, a pregnant mare may not be entered in a race if she is beyond 120 days of gestation.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19562, Business and Professions Code.

HISTORY:
1. New rule filed 10-16-12; effective 11-15-12.

1582. Form of Entries and Declarations.
(a) Entries and declarations shall be in writing on the forms provided by the association and signed by the owner of the horse, his authorized agent, the trainer of the horse or a representative delegated by the trainer.
(b) As a condition of the race meeting under Rule 1437 of this division, entries may be made by telephone, facsimile, or any other electronic method deemed appropriate by the association, and the association may require a written confirmation of such entries.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 12-5-06; effective 1-4-07.

1583. Receipt of Entries and Declarations.
The racing secretary is the person authorized to receive entries and declarations for all races. The racing secretary, employees of his department, or racing officials shall not disclose any pertinent information concerning entries which have been submitted until after all entries are closed.

1585. Miscarriage of Entry, Declaration or Payment.
Any entry, declaration, nomination, sustaining payment or other required payment, fee or eligibility documents submitted by mail but not received by the specified time shall not be accepted unless the person mailing the same submits satisfactory evidence of proper mailing in the form of a timely postmark or declaration from a postal representative.

NOTE:
Authority cited: Section 19562, Business and Professions Code.

Reference: Section 19562, Business and Professions Code.

1586. Joint Subscriptions and Entries.
Joint subscriptions, nominations and entries may be made by two or more partners, and each partner is jointly and severally liable for all stakes and forfeits.

1587. Entries Survive with Transfer.
All entries and rights of entry are valid and survive when a horse is sold with his engagements duly transferred. If a partnership agreement is properly filed with the paymaster of purses, subscriptions, entries and rights of entry survive in the remaining partners. Unless written notice to the contrary is filed with the stewards, the entries, rights of entry, and engagements remain with the horse and are transferred therewith to the new owner. No entry or right of entry shall become void on the death of the nominator unless the conditions of the race state otherwise.

1588. Horse Ineligible to Start in a Race.
(a) In addition to any other valid ground or reason, a horse is ineligible to start in any race:
(1) if such horse is not registered by the Jockey Club if a thoroughbred, the United States Trotting Association if a standardbred, the American Quarter Horse Association if a quarter horse, the Appaloosa Horse Club if an appaloosa horse, the Arabian Horse Registry of America if an Arabian horse, or the American Paint Horse Association if a paint horse;
(2) if the parentage verification to both the sire and the dam of all horses foaled in 1992 and thereafter has not been certified by the Jockey Club if a thoroughbred, the United States Trotting Association if a standardbred, the American Quarter Horse Association if a quarter horse, the Appaloosa Horse Club if an appaloosa horse, the Arabian Horse Registry of America if an Arabian horse, or the American Paint Horse Association if a paint horse;
(3) if, unless the stewards permit otherwise, the certificate of foal registration, eligibility papers, or other registration issued by the official registry for such horse is not on file with the racing secretary at the time of entry;
(4) if such horse has been entered or raced at any recognized race meeting under any name or designation other than the name or designation duly assigned by and registered with the official registry;
(5) if the certificate of foal registration, eligibility papers or other registration issued by the official registry has been altered, erased, or forged;
(6) if the identification markings of the horse do not agree with the identification markings as set forth in the registration of such horse;
(7) unless he is eligible to enter said race and is duly entered for such race;
(8) when such horse is owned in whole or in part by an unlicensed person or is in the care of an unlicensed trainer;
(9) when such horse is on the Steward's List, the Starter's List or the Veterinarian's List;
(10) when, except with prior approval of the stewards for good cause, such horse is on the Veterinarian's List in another racing jurisdiction. Good cause includes:
(A) unforeseen administrative issues in removing the horse from the Veterinarian's List of another racing jurisdiction;
(B) the location of the horse prevents it from being evaluated by the official veterinarian of another racing jurisdiction and cleared from that jurisdiction's Veterinarian's List, and the horse is approved to race by a California official veterinarian; or
(C) any other unforeseen event or reason that would prevent a horse that would otherwise not be on a Veterinarian's List from being cleared from the Veterinarian's List of another racing jurisdiction.
(11) when, except with prior approval of the stewards:
(A) such horse has not been on the grounds of the association or its approved auxiliary stable

area for at least 24 hours prior to the time the race is to be run, or
(B) such horse has not been in the care of a trainer licensed by the Board and stabled within a CHRB inclosure, including auxiliary stabling areas, for seven consecutive days prior to the race, except for horses being shipped directly from another racing jurisdiction.

(12) when such horse does not carry a microchip or has not received a waiver from the stewards in accordance with Rule 1597.5.

(13) when such horse has received an intra-articular injection within the previous fourteen days prior to the scheduled post-time for the race in which it is entered.

(14) when such horse has not raced at a recognized race meeting within 12 consecutive months since its previous start, until the horse has performed satisfactorily in a workout or standardbred qualifying race as provided in Rule 1866(h) and (i).

(15) when such horse is a first-time starter four (4) years of age or older, until the horse has performed satisfactorily in a workout or standardbred qualifying race as provided in Rule 1866(h) and (i).

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment of subsection (a) filed 7-9-92; effective 8-8-92.
2. New subsection (b) and subsection renumbering filed 7-8-92; effective 8-9-92.
3. Amendment filed 7-15-15; effective 10-1-15.
4. Amendment filed 1-9-18; effective 12-26-18.
5. Amendment filed 3-12-19; effective 7-1-19.
6. Amendment filed 8-6-19; effective 10-1-19.
7. Amendment filed 12-15-20; effective 04-01-21.
8. Amendment filed 10-19-21; effective 10-19-21.

1591. Horses Ineligible to Be Entered for Claiming Race.
In addition to any other valid ground or reason, a horse is ineligible to be entered for any claiming race when there is a lien on such horse which has been filed with the stewards and the racing secretary, and when such lien is declared as valid for racing purposes by the stewards.

1592. Ineligible Horse to Be Disqualified.
Any horse ineligible to be entered for a race, or ineligible to start in any race, who competes in such race may be disqualified and the stewards may discipline anyone responsible therefor.

1593. Change of Name of Horse.
In the event a horse's name is changed, both his old and his new name must be given in every entry list until he has run three races, and both names must be printed on the official program for those three races.

1594. Registration Certificates to Reflect Correct Ownership.
Every certificate of registration or eligibility certificate filed with the association and its racing secretary to establish the eligibility of a horse to be entered for any race shall accurately reflect the correct and true ownership of such horse, and the name of the owner which is printed on the official program for such horse shall conform to the ownership as declared on the certificate of registration or eligibility certificate unless a stable name has been registered for such owner or ownership with the Board.

1595. Alteration or Forgery of Certificate of Registration.

No person shall alter or forge any certificate of registration, registration paper, certificate of eligibility or any other document of ownership or registration, nor willfully forge or alter the signature of any person required on any such document.

1596. Transfer After Sale of Horse on the Grounds.

Any Board licensee acting as either seller or purchaser, or their agents or representatives, of a racehorse, prospective racehorse, stallion, or brood mare, which is sold while within the inclosure of a racing association or fair licensed to conduct a live racing meeting, shall immediately notify the stewards of such sale and transfer. The stewards shall require a completed Bill of Sale, CHRB Form-101 (3/97), which is hereby incorporated by reference, for any such sale or transfer. If a sale or transfer occurs at an auxiliary stabling facility, a Board-approved training facility, an authorized horse sale or any other location and is sold or purchased by a Board licensee, a completed CHRB Form-101 shall be submitted to the stewards at the nearest racing facility within three (3) calendar days of the sale or transfer.

If the buyer and/or seller do not appear in person before the stewards and/or the stewards cannot independently verify the person's signature, a notarized Bill of Sale, CHRB Form-101, shall be required. CHRB Form-101 shall be available to the public at all Board offices.

NOTE:
Authority cited: Sections 19420, 19440, and 19525, Business and Professions Code.
Reference: Sections 19420, 19440, and 19525, Business and Professions Code.

HISTORY:
1. Amendment filed 6-20-96; effective 7-20-96.
2. Amendment filed 11-26-97; effective 12-26-97.

1597. Association to Maintain Records of Horses on Its Grounds.

The association, fair, or authorized training facility shall maintain an electronic record of all horses entering and exiting its grounds by name and by microchip number in compliance with Rule 1597.5, and such record shall also contain the name of the owner or owners of such horses, and the name of the trainers having care of such horses. The racing secretary shall record the entry to and exit from the inclosure of every horse within 72 hours of each occurrence, and shall maintain these records in a searchable electronic format that is subject to Board approval. The racing secretary shall make all such records available to the Stewards, the Board, and all state and federal animal health officials conducting animal disease investigations upon request.

NOTE:
Authority cited: Section 19420, 19440, and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

History:
1. Amendment filed 1-9-18; effective 12-26-18.

1597.5. Microchips Required for All Race Horses on Grounds

(a) All race horses (horse/horses) present within the inclosure of a licensed racing association, racing fair, or authorized training facility shall carry a microchip unless it is exempt under the provisions of this Rule. For purposes of this Division, a “microchip” is any International Organization for Standardization compliant (ISO 11784/11785) fifteen digit, 134.2-kHz, FDX-B passive transponder microchip. Microchips shall be ICAR (International Committee of Animal Recording) approved (9xx series) with an unshared manufacturer code.

(1) If a horse without a microchip comes into the inclosure of a licensed racing association, racing

fair, or authorized training facility, the trainer or owner of the horse shall:
(A) Immediately notify the horse identifier that the horse does not carry a microchip;
(B) Complete CHRB Form 236, Microchip Request (New 04/16), which is hereby incorporated by reference, and submit it to the horse identifier.

(2) If a horse has not received a microchip after 7 days from the time it arrives at the inclosure, it shall be removed from the grounds of the racing association, racing fair, or authorized training facility unless a request for an extension is made in writing to the Board of Stewards by the horse's owner or trainer and the request is granted.

(3) A trainer or owner may apply to the Board of Stewards for a waiver from the microchip requirements in this Rule for the purpose of the horse's participation in a single race. The request for a waiver shall be made on CHRB Form 237, Microchip Waiver Request (Rev 04/19), which is hereby incorporated by reference, and shall be submitted to the stewards when the horse is entered to race. All waivers will expire 7 days after the running of the race for which the waiver is granted. No horse shall be granted more than one waiver per race meeting.

(4) A horse that has not been implanted with a microchip, or has not been granted a waiver in accordance with subsection (a)(3), shall not be eligible to start in a race.

(5) Anytime a horse is implanted with an identifying microchip while in the inclosure of a licensed racing association, racing fair, or training facility, the following procedures shall be followed:
(A) The horse identifier will assign the microchip number for each horse to be implanted.
(B) The microchip shall be implanted by a Board-licensed veterinarian, registered veterinary technician, or other licensee who has been authorized by the official veterinarian and while under the supervision of the horse identifier.
(C) The licensed owner of the horse shall be responsible for any veterinary service fees for implantation of the microchip.
(D) The horse identifier shall verify the individual microchip identification number assigned to the horse. The horse identifier will record the individual horse microchip identification number with the racing secretary in a searchable electronic format that is subject to Board approval. Records of the microchip identification numbers shall be maintained by the racing secretary and in accordance with Rule 1597.

(7) A horse that comes into the inclosure of a licensed racing association, racing fair, or authorized training facility, and carries a microchip but has not had its individual microchip identification number recorded by the racing secretary, shall have its microchip verified and recorded in accordance with subsection (a)(5)(D). No person shall prevent the Board of Stewards, the horse identifier, or the racing secretary from assigning, verifying, or recording a horse's microchip number.

NOTE:
Authority cited: Section 19420, 19440, and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

History:
1. New rule filed 1-9-18; effective 12-26-18.
2. Amendment filed 8-8-19; effective 10-1-19.

1597.6. Tampering with Microchips.
No person shall tamper with, remove, or replace a microchip implanted in a horse without approval from the Board.

NOTE:
Authority cited: Section 19420, 19440, and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

History:
1. New rule filed 1-9-18; effective 12-26-18.

1598. Selecting Positions of Entered Horses.
The manner of selecting positions of horses at the post shall be determined by the stewards. The selection shall be by lot and shall be made by one of the stewards or someone designated by them, in public, at the close of the entries. The horses so drawn shall be entitled to a position at the post corresponding to the number drawn, which number shall be exhibited on the saddlecloth and printed in the program with the name of the jockey or driver.

1599. Excessive Number of Entries.
If the number of entries to any race is in excess of the number of horses which may, because of track limitations, be permitted to start in any one race, the race may be split and the starters shall be determined by lot in the presence of those having made entries, and the post positions shall be in the order in which they are drawn.

1600. Horses Listed As Also Eligible.
If the entries to any purse race exceed the number which may, because of track limitations, be permitted to start in any one race, a list of four or more horses entered shall be drawn from the surplus entries and listed as "also eligible" to be drawn in to the race by lot if any of the first number are declared.

1601. Preferred List of Horses.
The racing secretary shall maintain a list of entered horses eliminated from starting by a surplus of entries, and these horses shall constitute a preferred list and have precedence in starting in any race of a similar distance and similar conditions in which they are afterward entered. If a horse is eliminated two or more times consecutively it shall have precedence over all other entries which have been eliminated fewer times. For the purpose of this rule, races of a mile or over shall be considered races of similar distances and races of less than a mile shall be considered similar distances.

1602. Time for Declarations.
Any owner, his authorized agent, or trainer of a horse which has been entered for a purse race and has been drawn in to the race and entitled to a post position or is also eligible, who does not wish such horse to start in the race, shall file a request for a declaration not later than the "scratch time" designated for such race by the stewards. Any horse so declared pursuant to such request shall lose all preferences it has accumulated.

1603. Insufficient Entries.
The racing secretary with the agreement of the organization representing the horsemen at the meeting shall establish as a condition of the meeting the minimum number of valid entries required for an overnight race to be considered filled and a race considered filled with a sufficient number of valid entries in accordance with such agreement shall be run. If there are insufficient entries for a race to be considered filled, such race may be declared off with approval of the stewards and a substitute race used.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Section 19401, Business and Professions Code.

HISTORY:
1. Amendment filed 6-6-80; effective 7-6-80.

1604. Splitting of Overnight Race.
If a race is declared off because of insufficient entries, the association may split an overnight race which may have closed and may cause a new drawing for post positions.

1605. Change in Conditions After Entry Prohibited.
After any entry to a race whose conditions have been published has been accepted by the racing secretary or his delegate, no condition of such race shall be changed, amended or altered, nor shall any new condition for such race be imposed.

1606. Association to Disclose Ownership.
(a) If two or more horses that are entered in the same race are owned in whole or in part by the same person or persons, or are trained by the same trainer, the racing association shall take such actions as are necessary to adequately inform the public, including publishing the name of the owners and trainer in the official program as required under Rule 1461 of this division, and announcing the circumstances over the public address system.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Section 19401, Business and Professions Code.

HISTORY:
1. Amendment filed 10-22-74; effective 11-21-74.
2. Amendment filed 12-12-80; effective 1-11-80.
3. Amendment filed 8-12-81 as an emergency; effective 8-12-81.
4. Order of Repeal of 8-12-81 emergency order filed 8-12-81 by OAL.
5. Amendment filed 1-4-82; effective 2-3-82.
6. Amendment filed 5-7-07; effective 6-6-07.
7. Amendment filed 10-30-08; effective 11-29-08.
8. Amendment filed 10-20-09; effective 11-19-09.
9. Amendment filed 7-12-11; effective 8-11-11.

1607. Classification of Horses.
The handicapper shall classify all horses he is requested to classify so that they may be eligible for handicaps or graded handicaps, and he may change the class of any horse. The name and class of all horses so classified shall be posted in the office of the racing secretary.

1608. Posting Weight in Handicaps.
The handicapper must post the weight in all handicaps not later than 6 P.M. on the date set for publication.

1609. Liability to Penalty.
For every handicap for which there is a penalty clause, the handicapper shall append to the weight the day and hour in which winners will be liable to a penalty, and no alterations shall be made in any handicap after publication except in case of omission through error of the name or weight of a horse duly entered, in which case, by permission of the stewards, the omission may be rectified by the handicapper.

1610. Official Records for Eligibility.
In determining the eligibility, penalty or penalties, and the right to allowance or allowances, the records of the racing secretary and the paymaster of purses shall be considered as official records, which records may be substantiated by the charts and records of the Daily Racing Form or any other service recognized by the Board.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Section 19401, Business and Professions Code.

HISTORY:
1. Amendment filed 11-1-95; effective 12-1-95.

1611. Claim for Allowance.
Any allowance must be claimed at the time of entry. Failure to claim an allowance or the fact that an allowance was not given a horse shall not be grounds for disqualification of such horse.

1612. Claim of Preference.
No claim for preference in entry to any race shall be considered unless marked on the entry blank by the person authorized to make entry.

1614. Allowance for Fillies and Mares.
Except in races where the conditions of the race expressly state to the contrary, fillies two years old are allowed three pounds and fillies and mares three years old and older are allowed five pounds between January 1st and August 31st, and are allowed three pounds between September 1st and December 31st.

1615. Scale of Weights for Age.
The following scale of weights for age shall be carried if the conditions for a race do not specify otherwise:

DISTANCE – 1/2 MILE:

Age - 2 years
January through July - not applicable
August - 105
September - 108
October - 111
November/December - 114

Age - 3 years
January/February - 117
March/April - 119
May - 121
June - 123
July - 125
August - 126
September - 127
October - 128
November/December - 129

Age - 4 years
January through December - 130

Age - 5 years and up
January through December - 130

DISTANCE - 3/4 MILE:

Age - 2 years
January through July - not applicable

August - 102
September - 105
October - 108
November/December - 111

Age - 3 years
January/February - 114
March/April - 117
May - 119
June - 121
July - 123
August - 125
September - 126
October - 127
November/December - 128

Age - 4 years
January/February - 129
March through December - 130

Age - 5 years and up
January through December - 130

DISTANCE - 1 MILE:
Age - 2 years
January through August - not applicable
September - 96
October - 99
November/December - 102

Age - 3 years
January/February - 107
March/April - 111
May - 113
June - 115
July - 117
August - 119
September - 121
October - 122
November/December - 123

Age - 4 years
January/February - 127
March/April - 128
May - 127
June through December - 126

Age - 5 years and up
January through April - 128
May - 127
June through December - 126

DISTANCE - 1 1/4 MILE:

Age - 2 years
January through December - not applicable

Age - 3 years
January/February - 101
March/April - 107
May - 111
June - 113
July - 116
August - 118
September - 120
October - 121
November/December - 122

Age - 4 years
January/February - 125
March through May - 127
June through December 126
Age - 5 years and up
January through May - 127
June through December - 126

DISTANCE - 1 1/2 MILE:

Age - 2 years
January through December - not applicable

Age - 3 years
January/February - 98
March/April - 104
May - 108
June - 111
July - 114
August - 117
September - 119
October - 121
November/December - 122

Age - 4 years
January/February - 124
March through December - 126

Age - 5 years and up
January through December - 126

DISTANCE - 2 MILES:

Age - 3 years
January/February - 96
March/April - 102
May - 106

June - 109
July - 112
August - 114
September - 117
October - 119
November/December - 120

Age - 4 years
January/February - 124
March through July - 126
August/September - 125
October through December - 124

Age - 5 years and up
January through July - 126
August/September - 125
October through December - 124

In a race of intermediate distance weights for the shorter distance shall be carried.

1616. Minimum Weights to Be Carried.
Notwithstanding any other provision of this Division, the minimum weight to be carried in all overnight races shall be 114 pounds subject to apprentice allowances. The minimum weight to be carried in handicap and stakes races shall be 105 pounds. For quarter horse races, the minimum weight to be carried shall be 120 pounds, regardless of any otherwise permitted allowance.

NOTE:
Authority cited: Sections 19562 and 19590, Business and Professions Code.
Reference: Sections 19562 and 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.
2. Amendment filed 12-22-22; effective 4-1-23.

1617. Improper Claim for Allowance.
No person shall claim at the time of entry a weight allowance for a horse for which such horse is not entitled. A claim to allowance for which a horse is not entitled is not a cause for disqualification unless carried out at scale.

1618. When Penalties or Allowances Prohibited.
No horse shall be required to carry extra weight nor be allowed extra weight reduction nor be barred from entering any race due in whole to having been beaten in one or more races; provided that this shall not prohibit maiden allowances or allowances to horses that have not won within a specified time races of a specific value.

1619. Apprentice Allowance.
An apprentice jockey shall be allowed the following weight allowances in all races, except stake and handicap races, and pursuant to Rule 1500(d):
(a) A seven (7) pound allowance beginning with their first mount and continuing until the apprentice jockey has ridden ten (10) winners;

(b) A five (5) pound allowance from their tenth (10th) winner and until the apprentice jockey has ridden a total of forty (40) winners, or for one year, whichever comes later.
(c) If after one year from the date of their tenth (10^{th}) winning mount the apprentice jockey has not ridden a total of forty (40) winners from the date of their first winning mount, they may continue to ride with a five (5) pound weight allowance for one more year from the date of their tenth (10^{th}) winning mount or until they have ridden forty (40) winners whichever comes first.
(d) An apprentice jockey allowance may be waived with the steward's permission at the time of entry by the trainer or the trainer's designee.
(e) In no event may an apprentice jockey allowance be claimed by more than 2 (two) years from the date of the tenth (10^{th}) winning mount, unless an extension has been granted by the Board of Stewards or the CHRB pursuant to CHRB Rule 1500 (j).

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 3-18-97; effective 4-17-97.
3. Amendment of section heading and section filed 11-29-2023; operative 1-1-2024 (Register 2023, No. 48).

1620. No Penalty for Winning Certain Races at Fairs.
A horse which wins a race at a fair race meeting in this State shall not be penalized for such winning in races run thereafter at any race meeting other than a fair race meeting if the net purse to such winning horse at such fair race is $2,750 or less. This rule shall not apply to a maiden allowance which maiden allowance shall be lost by the winning of any race.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Section 19401(a) and (e), Business and Professions Code.

HISTORY:
1. Amendment filed 4-12-79; effective 5-12-79.

1621. Winnings.
The winnings of a horse consist of its gross winnings. Winnings during the year shall include all prizes from the first of January preceding the time appointed for the start and include races in any country, and include walkover purses. Winning of a fixed sum means winning it in any one race unless otherwise specified in the conditions of the race. Foreign winnings shall be estimated on the basis of the normal rate of exchange on the day of winning. Winnings in Canada when such winnings are expressed in dollars shall not be considered as foreign winnings.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1624. Records of Foreign and Imported Horses.

The owner of any horse which has not previously raced at a recognized meeting in the United States or which has raced elsewhere, must furnish to the racing secretary prior to the entry of such horse to any race in this State, performance records of said horse's races during the past year showing where and when said horse did race, the distance, weight carried and said horse's finishing position and time. If such records are incomplete or unavailable, the owner or his representatives must submit an affidavit to such effect to the racing secretary. If such records or affidavit are not submitted, such horse shall be ineligible to start unless approval is first obtained from the Board.

1625. Penalties and Allowances Not Cumulative.
Penalties and allowances are not cumulative unless so declared by the conditions of the race.

1626. Refund of Fees.
If a stakes race is not run or declared or cancelled, stakes money and entrance money or fees shall be returned to the person contributing such stakes or entrance money. No refund of entrance or stakes money shall be refunded due solely to the death of a horse or his failure to start, or upon a finding by the stewards that the horse entered was ineligible to enter such stakes race or was ineligible to start in such race.

1627. Declarations from Race Irrevocable.
The declaration of a horse from a race is irrevocable.

1628. Declaration for Physical Disability.
The stewards may declare a horse out of a race when in the opinion of the Official Veterinarian or the Racing Veterinarian such horse cannot give his best efforts to win such race due to physical disability or other physical cause. The further entry to any race in this State of such horse shall not be accepted until the expiration of at least 48 hours from the time of declaration and until the said horse has been examined, and his physical condition approved for racing by the Official Veterinarian.

1629. Penalty for Late Declaration.
No person other than the stewards may declare a horse out of any overnight race after the "scratch time" designated for such race by the stewards, and the starting of such horse is obligatory. Any person responsible for the failure of any horse to start in a race when the starting of such horse is obligatory may be disciplined by the stewards.

1630. Declaration in Stakes Races.
A declaration of a horse from a stakes race may be made until one hour before post time for that race after which time the starting of such horse is obligatory. Notwithstanding the foregoing, a request for the declaration of a horse from an overnight stakes race shall be made no later than the scratch time for overnight races and may only be granted with the approval of the Stewards.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 10-11-90; effective 11-10-90.

1631. Walkover Races.
When a walkover is a result of arrangements by owners or trainers of horses engaged to race, no prize or stake need be given. If a walkover occurs any entrance money or stakes money shall go to the winner, but any added money of the association for such race need not be given.

1632. Jockey's Riding Fee.

(a) Winning jockey riding fees in the absence of a contract or special agreement are 10% of the Win Purse.

(1) The purpose of subsection (a) is not to set a minimum or maximum fee. It provides a fee if the parties have not made a written agreement to the contrary.

(2) All fees pursuant to subsection (a) are payable in the lower purse range until the next higher purse range is reached, unless there is a written agreement to the contrary.

(b) Jockey riding fees for losing mounts are:

Gross Purse	Losing Mount
$100,000 and up:	$278.41
50,000–99,999:	226.84
25,000–49,999:	195.91
15,000–24,999:	175.26
10,000–14,999:	164.97
Less than $10,000:	154.67

(1) The purpose of subsection (b) is to set a minimum, but not a maximum riding fee. No non-winning jockey shall be paid less than the riding fee set forth in subsection (b).

(2) All fees pursuant to subsection (b) are payable in the lower purse range until the next higher purse range is reached unless there is a written agreement to the contrary. However, no such written agreement shall reduce the minimum required by subsection (b).

(3) To determine the horse owner's place purse or show purse when calculating non-winning jockey riding fees, the Paymaster of Purses shall use the purse agreement provided in the Horsemen's Agreement for the race meeting at which the jockeys earned such fees. The losing mount fee shall be paid as provided under subsection (b) of this rule.

(4) For horse races with gross purses between $10,000 and $100,000 and up, a minimum of five percent of the horse owner's place purse or show purse plus $10.00 shall be used when calculating the second place and third place non-winning jockey riding fees.

(5) If the losing mount fee is equal to or greater than the third place mount fee, the Paymaster of Purses shall adjust the mount fees so that the third place mount shall earn at minimum $2 more than the losing mount, and the second place mount shall earn at minimum $2 more than the third place mount.

(c) A jockey's fee is considered earned when the jockey is weighed out by the clerk of scales. The fee shall not be considered earned if the jockey elects to take himself off of his mount. If there is a substitution of jockeys, no additional jockey fee or double jockey fee need be paid except when ordered by the stewards.

(d) In this rule "Win Purse" means the amount paid the winning horse less the fees paid exclusively by the owner to enter the horse in the race;

(1) Entry, nomination or other fees paid shall not be deducted from a jockey riding fee if such fees are paid or reimbursed by any person or entity other than the owner.

(e) If the parties agree on the fee to be paid the jockey, a contract or agreement in writing signed by the jockey or his agent and the owner or his authorized agent specifying the agreed upon fee if a winning mount, second place mount, third place mount and losing mount shall be delivered to the paymaster of purses before the running of the race in question. The paymaster of purses shall debit the owner's purse account under the contract or written agreement. If no contract or written agreement is submitted before the running of the race in question, the paymaster of purses shall debit the owner's purse account under the fee scale set forth in this rule.

(f) A jockey may not share in the fees of another jockey.

NOTE:
Authority cited: Sections 19440, 19501 and 19562, Business and Professions Code.
Reference: Sections 19401(a), 19401(d), 19420, 19440, 19501 and 19502, Business and Professions Code.

HISTORY:
1. Amendment filed 8-15-74; effective 9-14-74.
2. Amendment filed 10-6-78; effective 11-5-78.
3. Amendment filed 6-8-79; effective 7-8-79.
4. Amendment filed 11-25-86; effective 11-25-86.
5. Amendment filed 12-6-99; effective 12-6-99.
6. Amendment filed 2-28-01; effective 2-28-01.
7. Amendment filed 1-10-08; effective 1-10-08.
8. Amendment filed 3-29-10; effective 3-29-10.
9. Amendment filed 11-28-11; effective 11-28-11.
10. Amendment filed 5-12-14; effective 5-12-14.
11. Amendment filed 7-23-15; effective 10-1-15.
12. Amendment filed 12-10-15; effective 1-1-16.
13. Amendment filed 5-31-17; effective 5-31-17.
14. Amendment filed 10-5-17; effective 1-1-18.
15. Amendment filed 11-20-18; effective 1-1-19.
16. Amendment filed 11-4-19; effective 1-1-20.
17. Amendment filed 10-22-20; effective 1-1-21.
18. Amendment filed 9-23-21; effective 1-1-22.
19. Amendment filed 12-20-22; effective 1-1-23.
20. Amendment filed 11-30-23; effective 1-1-24.
21. Amendment filed 12-31-24; effective 1-1-25.

1633. Release of Certificates of Registration.
(a) Any certificate of registration filed with the racing secretary to establish eligibility to enter a race shall be released only to:
(1) the trainer of record or;
(2) the owner(s) named in the certificate or;
(3) at the request of the owner(s), to a person designated by the owner(s) in writing or;
(4) if unclaimed at the end of the meeting, to the Board.
(b) Under no circumstances shall any person remove and hold a certificate of registration:
(1) to prevent a horse from racing or;
(2) to remove a legal owner's name without authorization.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19460 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-4-94; effective 5-5-94.

1634. Claiming Option Entry.
(a) At the time of entry into a claiming race, the owner may opt to declare a horse ineligible to be claimed provided:

(1) The horse has been laid off and has not started for a minimum of 180 days since its last race, and
(2) The horse is entered for a claiming price equal to or greater than the price at which it last started.
(b) Failure to declare the horse ineligible at the time of entry may not be remedied.
(c) Ineligibility shall apply only to the first start following each such layoff.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19408.2 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 8-21-08; effective 9-20-08.

TITLE 4, DIVISION 4, ARTICLE 7. CLAIMING RACES

1650. Racing Interest Defined.
For the purposes of this article a racing interest is defined as any individual owner, or any partnership of owners, or any registered stable, but not including a lessee, which participates as an owning entity or nominator of a race horse. A licensed owner may participate in more than one racing interest.

1651. Eligibility to Claim.
In claiming races any horse is subject to being claimed for its entered price by any racing interest, by any licensed horse owner, or by any person who has established his qualifications to claim by filing an application for license as horse owner and having been granted a certificate authorizing the claim. Such claim certificate shall not be issued until all conditions and qualifications for a horse owner's license have been met or completed.

HISTORY:
1. Amendment filed 11-16-73; effective 1-1-74.

1652. Prohibited Actions with Respect to Claims.
No person shall:

(a) Enter into or offer to enter into any agreement to claim any horse unless all parties to the agreement are eligible to claim.
(b) Claim his own horse or cause his own horse to be claimed directly or indirectly for his own account.
(c) Attempt to prevent or prevent any racing interest from running a horse in any race for which it is entered or from claiming any horse in any claiming race.
(d) Make any agreement with any other person or racing interest for the protection of each other's horses in any claiming race.
(e) Make any loan agreement for the purpose of obtaining funds for the claim of any horse when a condition of such agreement is a lien on the horse to be claimed.
(f) Except with permission of the stewards, remove any horse which has been entered in a claiming race from the grounds of the association where it is entered to race, or fail or refuse to comply with any rule or any condition of the meeting for the purpose of avoiding or preventing a claim for such horse.
(g) Claim more than one horse for the account of any one racing interest from any one claiming race, nor shall a trainer, owner, or authorized agent representing more than one racing interest file more than one claim for a particular horse.
(h) Offer any monetary or other reward to any pony boy, exercise boy, groom, stable employee or other licensee for information relative to the physical condition or merit of a horse, or provide information relative to the physical condition or merit of a horse, from the time such horse is entered in a claiming race until the expiration of time to make a claim on such horse in that claiming race.

Authority: Sections 19440 and 19562, Business and Professions Code.

Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 6-14-74 as an emergency; effective 6-14-74.
2. Amendment filed 6-25-76; effective 7-25-76.
3. Amendment filed 3-15-22; effective 7-1-22.

1653. Responsibility for Prohibited Actions.
If a racing interest is comprised of more than one licensed owner, all owners comprising such racing interest are jointly and severally liable for any action of the racing interest.

1654. Affidavit May Be Required.
The stewards may require any person or any racing interest, its members or authorized agent, making a claim for a horse in any claiming race to make an affidavit in writing that he is claiming said horse for his own account if an individual owner, for the account of the racing interest if comprised of more than one licensed owner, or for the claiming racing interest if an authorized agent, and that the claim is not being made for any other person.

1655. Form and Deposit of Claim.
(a) All claims shall be in writing on a form approved by the Board, and shall be sealed and deposited in the claim box at least 15 minutes before the post time of the race in which the horse to be claimed is entered.
(b) No money shall accompany a claim form. Any person or racing interest making a claim shall first have the amount of the claim on deposit with the association or the paymaster of purses at the meeting. The paymaster or other authorized official shall verify the amount required is on deposit and that the person submitting the claim is eligible to claim under Rule 1651 of this division by initialling or otherwise marking the claim envelope.
(c) The filing of a claim by depositing the claim form in the claim box constitutes a contract of purchase at the established price and under the rules for claiming.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Sections 19408.2 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 12-6-99; effective 12-6-99.

1656. Errors Which Invalidate Claim.
A claim is invalid if the name of the horse to be claimed is erroneously spelled or not specified on the claim form, CHRB-11 (REV. 8/14) Agreement to Claim, which is hereby incorporated by reference; or if the claim form is not signed by an owner authorized to claim or a member of a racing interest authorized to claim or their properly registered authorized agent; or is not accompanied by a certification from the paymaster of purses that the amount of the claim and all applicable taxes is on deposit with the association or such paymaster of purses; or is deposited at a place other than that provided by the association; or is not deposited within the correct time; or does not specify the racing interest making the

claim; or does not correctly specify the name of the new trainer, the claiming race number, or the date of the claiming race; or is otherwise so defective in any particular that the stewards cannot approve its validity; or fails to specify the designated claiming price.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19408.2 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 10-17-12; effective 11-16-12.
2. Amendment filed 4-7-14; effective 7-1-14.
3. Amendment filed 9-17-14; effective 9-17-14.

1657. Opening of Claim.
After the horses in a claiming race have reached the post, the stewards or their delegate shall open and examine the claims but no information concerning such claims shall be divulged to anyone other than the authorized racing officials until the race has been run. Should more than one claim be filed for the same horse, the successful claimant shall be determined by lot in a manner specified by the stewards.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Sections 19408.2 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1658. Vesting of Title to Claimed Horse.
(a) Title to a horse which is claimed shall be vested in the successful claimant from the time the field has been dispatched from the starting gate and the horse becomes a starter; and said successful claimant becomes the owner of the horse unless voided by the stewards under the provisions of this article. Only a horse which is officially a starter in the race may be claimed. A subsequent disqualification of the horse by order of the stewards or the Board shall have no effect upon the claim.
(b) The stewards shall void the claim and return the horse to the original owner if:
(1) The horse suffers a fatality during the running of the race or dies or is euthanized before leaving the track, or
(2) The racing or official veterinarian determines the horse will be placed on the Veterinarian's List as bled, unsound or lame before the horse is released to the successful claimant.
(A) "Bled" is defined as the racing or official veterinarian observing a horse bleeding from one or both nostrils during or after the race, and determining that such bleeding is a direct result of exercise induced pulmonary hemorrhage.
(c) The stewards shall not void the claim if, prior to the race in which the horse is claimed, the claimant elects to claim the horse regardless of whether the racing or official veterinarian determines the horse will be placed on the Veterinarian's List as unsound or lame.
(1) An election made under subsection (c) of this rule shall be entered on the form CHRB-11(Rev. 8/14) Agreement to Claim, in accordance with section 1656 of this article.
(d) The claim shall be void if the race is called off, canceled, or declared no contest in accordance with Rule 1544 of this division.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 11-22-06; effective 12-22-06.
2. Amendment filed 10-04-11; effective 11-03-11.
4. Amendment filed 4-07-14; effective 7-1-14.
5. Amendment filed 9-17-14; effective 9-17-14.
6. Amendment filed 3-08-16; effective 7-01-16.

1659. Delivery of Claimed Horse.

A horse which has been claimed shall not be delivered by the original owner to the successful claimant until authorization is given by the stewards, and every horse so claimed shall run for the account of the racing interest in whose name it is entered for such race. No horse claimed out of a claiming race shall remain in the same stable under the management of its former owner or trainer.

1660. Delivery of Certificates or Documents.

A proper transfer of certificate of registration or eligibility certificate shall be made by the stewards or the delegated racing official indicating transfer of ownership to the successful claimant. No person shall willfully refuse to surrender any document of ownership or other document required by the stewards for the purpose of avoiding or hindering the transfer of a successfully claimed horse to a successful claimant.

1660.1. Claimed Horse Health Record.

(a) Upon a horse being claimed in a claiming race, the Claimed Horse Health Record form CHRB-245 (New 12/19), which is hereby incorporated by reference, shall be provided by the Official Veterinarian, or his or her designee, to the horse's previous CHRB-licensed attending veterinarian. The Official Veterinarian, or his or her designee, shall complete the top section of the form.

(b) The horse's previous CHRB-licensed attending veterinarian shall complete all applicable sections of the Claimed Horse Health Record form CHRB-245 (New 12/19) and submit the form electronically to the horse's new CHRB-licensed attending veterinarian, as identified by the horse's owner or trainer, within five (5) days of the claim.

(1) All intra-articular injections given to the horse by the previous CHRB-licensed attending veterinarian within sixty (60) calendar days prior to the race in which in the horse was claimed shall be reported on the Claimed Horse Health Record form CHRB-245 (New 12/19).

(2) The previous CHRB-licensed attending veterinarian shall complete all other applicable horse health record information on the Claimed Horse Health Record form CHRB-245 (New 12/19) that occurred while under his or her care.

(c) CHRB licensed veterinarians attending a horse for the first time after it is claimed shall review the Claimed Horse Health Record form CHRB-245 (New 12/19) prior to performing any intra-articular injections, any other intra-lesional musculoskeletal corticosteroid treatments, or extracorporeal shock wave therapy to the horse.

(1) In the event of a medical emergency or medical necessity, corticosteroid treatment may be initiated prior to review of the Claimed Horse Health Record form CHRB-245 (New 12/19), after which the horse shall be placed on the Veterinarian's List for a minimum of fourteen (14) days.

(d) The Claimed Horse Health Record form CHRB-245 (New 12/19) shall be confidential except as provided by any federal or state law or regulation.

NOTE:
Authority cited: Sections 19440, 19562, and 19580, Business and Professions Code.
Reference: Sections 19440, 19562, and 19580, Business and Professions Code.

HISTORY:
1. New rule filed 4-2-20; effective 7-1-20.

1661. Warranty of Clear Title.
Every racing interest entering a horse in a claiming race does warrant that the title to said horse is free and clear of any existing claim or lien, either as mortgage, bill of sale, or lien of any kind, unless before entering such horse the written consent of the holder of the claim or lien has been filed with the stewards and the racing secretary and its entry approved by the stewards.

1662. Sale or Transfer of Claimed Horse.
No horse claimed out of a claiming race shall be sold or transferred to any person for racing purposes within 30 days exclusive of the day such horse was claimed.
HISTORY:
1. Amendment filed 6-14-74 as emergency; effective 6-14-74.

1663. Entry of Claimed Horse
(a) A horse claimed out of a claiming race is eligible to race at any racing association in California immediately after being claimed.
(b) If a claimed horse is entered in a claiming race within 25 days of being claimed:
(1) The horse that won the claiming race from which it was claimed shall start for at least 25 percent more than the amount for which it was claimed.
(2) A horse that did not win the claiming race from which it was claimed shall start for at least the same amount for which it was claimed.
(c) A claimed horse may be removed from the grounds of the association where it was claimed for non-racing purposes.
(d) The provisions of subsection (a) of this rule do not apply to standardbred horses.

NOTE:
Authority cited: Sections 19420, and 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 6-14-74 as emergency; effective 6-14-74.
2. Amendment filed 9-13-90; effective 10-13-90.
3. Amendment filed 5-19-98; effective 5-19-98.
4. Amendment filed 12-6-99; effective 12-6-99.
5. Amendment filed 8-24-05; effective 8-24-05.
6. Amendment filed 6-25-12; effective 7-25-12.

1664. Entry of Mare in Foal in a Claiming Race.
(a) A mare may not be entered in a claiming race when it is pregnant, unless before the time of entry the owner deposits with the racing secretary a signed agreement whereby the owner at the time of entry provides the successful claimant without cost, protest or fee of any kind, a valid stallion service certificate covering the breeding of the mare.
(b) A successful claimant of a mare may file with the Board a petition to rescind the claim within 30 days after the date of claim if the successful claimant finds the claimed mare is pregnant and the agreement to provide a stallion service certificate has not been deposited as required by this rule.

NOTE:
Authority cited: Article IV of Section 19b, California Constitution, and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.
Reference: Article IV of Section 19b, California Constitution, and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 6-25-76; effective 7-25-76.
2. Amendment filed 12-6-99; effective 12-6-99.

1665. Rescission of Claim.

The Board may set aside and order rescission of a claim for any horse from a claiming race run in this State upon a showing that any party to the claim committed any prohibited action with respect to the claim or that the owner of the horse at the time of entry in the claiming race failed to comply with any requirement of this article regarding entry of a horse into a claiming race. Should the Board order a rescission of a claim it may also, in its discretion, make a further order for the costs of maintenance and care of the horse as it may deem appropriate. Any petition or action taken to rescind a claim shall be commenced no later than 30 days from the date the claim was made.

NOTE:
Authority cited: Article IV of Section 19b, California Constitution, and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.
Reference: Article IV of Section 19b, California Constitution, and
Sections 19420, 19440, 19460 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 6-25-76; effective 7-25-76.

1667. Claims at California Fair Circuit.

The Alameda County Fair, the Solano County Fair, the Sonoma County Fair, the San Joaquin County Fair, the Humboldt County Fair, the California State Fair, the San Mateo County Fair and the Fresno District Fair together are deemed to comprise the Northern California Fair Circuit. For the purposes of claiming the Northern California Fair Circuit shall be considered as one race meeting.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Sections 19408.2 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 6-14-74 as an emergency; effective 6-14-74.
2. Amendment filed 4-21-83; effective 5-21-83.

TITLE 4, DIVISION 4, ARTICLE 8. RUNNING THE RACE

1680. Jockeys and Drivers to Report.

(a) Every jockey engaged to ride in a race shall report to the Jockey Room at least one hour before post time of the first race unless excused by the stewards. Every jockey shall weigh out at the appointed time. After reporting, a jockey shall not leave the Jockey Room except to ride in a race until all his or her engagements for the day have been fulfilled unless excused earlier by the stewards.
(b) Every driver engaged to drive in a race shall report to the Driver Room at least one hour before post time of their first race. After reporting, a driver shall not leave the Driver Room except to drive in a race until all of his or her engagements for the day have been fulfilled unless excused earlier by the stewards.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
2. Amendment filed 4-21-83; effective 5-21-83.
3. Amendment filed 10-13-94; effective 11-12-94.

1682. Weighing Out.
All jockeys taking part in a race must be weighed out by the clerk of scales no more than one hour preceding the time fixed for the race. Any overweight in excess of one pound shall be declared by the jockey to the clerk of scales, who shall have such overweight and any change to jockeys posted immediately for public information and announced over the public address system.

1683. Maximum Overweight.
No horse shall carry more than two pounds overweight without consent of its owner, the owner's agent, or the owner's representative, but shall not carry more than five pounds overweight in any race.

NOTE:
Authority cited: Sections 19562 and 19590, Business and Professions Code.
Reference: Section 19562 and 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-22-22; effective 4-1-23.

1684. Items Included in Weight.
A jockey's weight includes his riding clothing, saddle and pad. It shall not include the jockey's safety helmet, safety vest, whip or the horse's bridle.

NOTE:
Authority cited: Sections 19481 and 19562, Business and Professions Code.
Reference: Section 19481, Business and Professions Code.

HISTORY:
2. Amendment filed 11-29-83; effective 12-29-93.
2. Amendment filed 12-23-96; effective 1-22-97.

1685. Equipment Requirement.
(a) No bridle shall weigh more than two (2) pounds.
(b) Riding crops allowed for use in flat racing and training shall be unaltered from the original manufacturer; shall have shaft and flap (popper); shall weigh no more than 8 ounces and shall not be more than 30 inches in length.
(1) The minimum diameter of the shaft shall be 0.5 inches, with a smooth, padded contact area that has no protrusions or raised surface.
(c) The only allowed attachment to the shaft is the flap (popper), which shall not extend more than 1 inch beyond the end of the shaft.
(1) The flap (popper) shall have a width of not less than 1 inch, or more than 1.5 inches; shall have a minimum length of 7 inches; and a minimum circumference of 3 inches measured around the width. The flap (popper) shall have no reinforcements or additions beyond the end of the shaft, and no binding within 7 inches of the end of the shaft.
(2) The flap (popper) shall be folded over and sewn down each side. It shall have an inner layer consisting of memory foam, closed cell foam, or a similar shock-absorbing material, and an outer layer that is dark in color and made of a material that does not harden over time.
(d) All riding crops are subject to inspection and approval by the stewards.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19441.2 and 19481, Business and Professions Code.

HISTORY:
1. Amendment filed 4-15-93; effective 5-17-93.
2. Amendment filed 1-9-96; effective 2-8-96.
3. Amendment filed 3-29-10; effective 4-28-10.
4. Amendment filed 1-25-18; effective 4-1-18.

1686. Responsibility for Weight.
The trainer and owner shall be responsible for the weight carried by the horse after the jockey has been weighed out for the race by the clerk of scales. The trainer or owner may substitute a jockey when the engaged jockey reports an overweight in excess of two pounds.

1687. Deposit of Jockey Fee.
The minimum jockey mount fee for a losing mount in the race must be on deposit with the paymaster of purses, except for a jockey riding for his contract employer, prior to the time for weighing out, and failure to have such minimum fee on deposit is cause for disciplinary action and cause for the stewards to declare the horse for which such fee is to be deposited. The association assumes the obligation to advance the minimum jockey fee to the engaged jockey in the absence of a declaration of the horse from the race, and any such advanced fee is a lien upon the horse.

1688. Use of Riding Crop.
(a) In all races where a jockey will not ride with a riding crop, an announcement shall be made over the public address system of such fact, and such fact shall be noted in the official program.
(b) Although the use of a riding crop is not required, any jockey or exercise rider who uses a riding crop during a race or training is prohibited from using a riding crop on a horse:
(1) during training, except when necessary for the safety of horse or rider;

(2) on the head, flanks, or on any parts of its body other than the shoulders or hind quarters;
(3) during the post parade or after the finish, except when necessary to control the horse;
(4) excessively or brutally causing welts or breaks in the skin;
(5) when the horse is clearly out of the race or has obtained its maximum placing;
(6) persistently even though the horse is showing no response under the riding crop;
(7) more than two times in succession without giving the horse a chance to respond before using the riding crop again; or
(8) more than six times during a race, excluding showing or waiving the crop or tapping the horse on the shoulder as defined in subsection (c).
(c) Correct uses of the riding crop are:
(1) showing or waiving the crop without touching the horse, or
(2) in an underhanded position with the crop always at or below the shoulder level of the jockey;
(3) tapping the horse on the shoulder with the crop in the down position while having both hands:
(A) holding onto the reins, and
(B) touching the neck of the horse.
(d) During a race, if a jockey rides in a manner contrary to this rule, the stewards shall impose a minimum fine of $500. A greater fine or a minimum of three suspension days, or both, can be imposed, if, in the opinion of the stewards, the violation is egregious or intentional. Factors in determining whether a violation is egregious or intentional, include but are not limited to:
(1) recent history of similar violations;
(2) number of uses over the total and consecutive limits described in subsections (b)(7) and (8); and

(3) using the crop in the overhanded position.
(e) The jockey or exercise rider shall not be penalized if, in the opinion of the stewards, the use of the crop was necessary for the safety of the horse or rider.
(f) In trial heats, any suspension shall include the subsequent related stakes race regardless of whether the related stakes race is designated pursuant to Rule 1766.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19440, 19481 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 6-4-93; effective 7-5-93.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 3-2-15; effective 7-1-15.
4. Amendment filed 1-25-18; effective 4-1-18.
5. Amendment filed 8-18-20; effective 10-1-20.
6. Amendment filed 8-30-21; effective 8-30-21.

1689. Safety Helmets Required.
(a) A racing association, fair, or authorized training facility may not permit any person to be mounted on a horse on the racetrack, be mounted in or riding on a sulky or jog cart, or work as a member of the gate crew unless the person is wearing a properly fastened safety helmet.
(1) For purposes of this regulation, a member of the gate crew means any person licensed as an assistant starter or any person who handles a horse at the starting gate.
(2) For purposes of this regulation, “racetrack” means the surface of the racing or training track.
(3) For the purposes of this regulation, “jog cart” means a dual wheeled vehicle with dual shafts that is larger and heavier than a racing unit, and is used for exercising or training standardbred horses.
(b) Safety helmets required under subsection (a) of this rule shall comply with one of the following product standards:
(1) American Society for Testing Materials (ASTM) standard F-1163-04a, or
(2) European Standard (EN) 1384:1996, or
(3) Australian and New Zealand Racing Boards (AS/NZS) standard 3838:2006, or
(4) Snell Memorial Foundation (Snell) Standard for Protective Headgear H2000.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19481 and 19460, Business and Professions Code.
HISTORY:
1. Amendment filed 7-26-94; effective 8-25-94.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 8-16-10; effective 9-15-10.
4. Amendment filed 2-21-18; effective 4-1-18.

1689.1. Safety Vest Required.
(a) No jockey or apprentice jockey shall ride in a race unless wearing a safety vest, nor shall a jockey, apprentice jockey, or exercise rider, train or exercise any horse on the grounds of a racing association, racing fair, or authorized training facility unless wearing a safety vest.
(1) Any person licensed by the Board mounted on a horse on a track of a racing association, racing fair, or authorized training facility shall wear a safety vest.
(b) No driver or any person licensed by the Board shall be mounted in or riding on a sulky or jog cart, nor shall an assistant starter handle any horse on the grounds of a racing association, racing fair, or

authorized training facility unless wearing a safety vest.
(c) Safety vests required to be worn in accordance with this regulation shall:
(1) Provide a minimum of shock absorbing protection to the upper body, as evidenced by a label indicating that the safety vest meets one of the following standards:
(A) "Level 1" under the British Equestrian Trade Association (BETA) 2009 Standard for Horse Riders' Body and Shoulder Protectors, or
(B) American Society for Testing Materials (ASTM) standard F2681-08, or
(C) Shoe and Allied Trades Research Association (SATRA) (1999) Jockey Vest Standard, Document M6 Issue 3, Australian Racing Board (ARB) 3.
(2) Cover the entire torso from the collarbone to a line level with the hip bone allowing a vee opening in the front neckline;
(3) Weigh no more than 2 pounds.
(4) No vest shall be altered from its original manufactured design. This includes, but is not limited to:
(A) Cutting the vest to customize fit.
(B) Removal of manufacturer's labels.
(C) Removal of protective padding.
(d) The weight of a safety vest shall not be included in the weight of a jockey or apprentice jockey when weighing out or weighing in or when adding weight to make up a weight assignment.

NOTE:
Authority cited: Sections 19420, 19481 and 19562, Business and Professions Code.
Reference: Section 19481, Business and Professions Code.

HISTORY:
1. New rule filed 10-26-93; effective 1-1-94.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 2-15-01; effective 2-15-01.
4. Amendment filed 6-9-10; effective 7-9-10.
5. Amendment filed 7-5-16; effective 10-1-16.
6. Amendment filed 2-21-18; effective 4-1-18.

1690. Prohibited Equipment.
No spurs or steels, twitches, war bridles, or any other appliances other than regular approved racing equipment shall be used on any horse except with express permission of the stewards, who shall report any such permitted use to the Board with the reasons therefor.

1690.1. Toe Grabs Prohibited.
Toe grabs with a height greater than four millimeters worn on the front shoes of thoroughbred horses while racing are prohibited.

NOTE:
Authority cited: Section 19420, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.
HISTORY:
1. New rule filed 1-9-06; effective 2-8-06.

1691. Colors, Number, and Advertising.
(a) A jockey shall be properly attired for riding in a race, wearing the colors of the owner of the horse he or she is riding, and exhibiting a number on the saddlecloth that corresponds to the number of the horse on the official program.
(b) Advertising, including logos, labels, or product endorsements shall be permitted on jockey attire,

owner silks, and track saddlecloths from the point of weighing out for a race to weighing in after its conclusion.
(c) A copy of the advertisement signage must be submitted for review, for compliance with the provisions of this rule, to the stewards at the track where the advertisement will be worn before the horse is entered to race.
(d) Advertisement on jockey clothing is limited to:
(1) A maximum of 32 square inches on each thigh of the pants on the outer sides between the hip and knee and 10 square inches on the rear at the base of the spine.
(2) A maximum of 24 square inches on boots and leggings on the outside of each nearest the top of the boot.
(3) A maximum of 6 square inches on the front center in the neck area.
(e) Advertisement on owner silks is limited to:
(1) A maximum of 32 square inches on the chest area.
(2) A maximum of 1.5 inches by 4 inches on each collar.
(f) Advertisement on track saddlecloths is not limited to size or placement.

NOTE:
Authority cited: Sections 19420 and 19562, Business and Professions Code.
Reference: Sections 19420 and 19562, Business and Professions Code.

HISTORY:
1. New subsection (b) filed 7-9-92; effective 8-8-92.
2. Amendment filed 2-13-02; effective 2-13-02.

1692. Requirements for Horse, Trainer and Jockey.
Each horse starting in a race must be qualified for that race, ready to run, in physical condition to exert its best effort, and entered with the intention to win. Each trainer having the care or custody of such horse warrants it is fit to participate when brought to the paddock. Such trainers shall be present at the paddock to supervise the saddling of the horse and shall give instructions to assure the best performance of the horse.

Jockeys going to the post in any race shall race their mount to win, shall give their best efforts in the race to their mount and the public, and shall ride their mount out until the finish line is passed.

No person shall, or attempt to, instruct, induce or otherwise solicit any jockey or trainer to ride or perform in a manner contrary to this rule.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 7-23-97; effective 8-22-97.

1693. Control of Horses and Jockeys on Entering the Track.
(a) The horses are under the control of the starter from the time they enter the track until dispatched at the start of the race. After entry on the track or race course, the horses are not entitled to further care from their attendants, except in case of accident. In case of accident, the starter may permit the jockeys to dismount and the horses to be cared for during the delay. Otherwise, no jockey shall dismount until after the finish of the race. The horse must be started by the jockey, or with the sanction of the starter, a

horse may be led to its position in the gate by an assistant starter. With the sanction of the starter, an assistant starter may enter the gate to handle a fractious horse.

(1) No assistant starter shall in any way impede, whether intentionally or otherwise, a fair start.

(2) No assistant starter shall manipulate a horse's ear for purposes of controlling a horse while the horse is on the track or in the starting gate.

(A) For purposes of this regulation, manipulation of the ear shall be defined as biting, twisting, folding, or applying tongs to the horse's ear.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code. Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment of section and new Note filed 6-17-2025; effective 10-1-2025.

1694. Parade of Horses.
All horses shall parade, carrying their weight and wearing their equipment, from the paddock to the starting post. Any horse failing to do so may be declared by the stewards. No lead pony leading a horse in the parade shall be ridden so as to obstruct the public's view of any horse which is to race, except with the permission of the stewards or their delegate who shall report the granting of such permission and the reasons therefor to the Board.

1695. To the Post.
After entering the race course track, not more than twelve minutes shall be consumed in the parade of horses to the post except in cases of unavoidable delay. After passing the stands once, the horses may break formation and canter, warm up or go as they please to the post. When the horses have reached the post they shall promptly be placed in their starting gate stalls in the order of their post positions, unless otherwise ordered by the starter. The starter shall see that the horses are placed in their proper positions without unnecessary delay. Causes for any delay in the start shall immediately be reported to the stewards.

1696. The Start.
(a) Except in cases of emergency, every horse shall be started from an approved starting gate by the starter.

(b) If, in the opinion of the stewards, a horse did not receive a fair start through no fault of the horse, or gained an unfair advantage at the start, such horse may be declared a non-starter or may be declared a starter for purse money only and disregarded for pari-mutuel purposes.

(1) The stewards shall void any claim deposited for a horse declared to be a non-starter.

(2) Any horse determined to be a starter for purse money only is eligible to be claimed.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-10-75; effective 5-10-75.
2. Amendment filed 6-20-17; effective 10-1-17.

1697. Declaration of Horse by Stewards.
After entering the race course track for the post, a horse shall only be declared by the stewards when they consider such horse unfit to run in the race. No horse determined to be a starter shall be excused

or declared from the race. Any horse which breaks through the gate or runs off without effective control shall be examined by the racing veterinarian and determined to be fit to compete before being permitted to start.

1698. Failure to Start and Run.
No person shall willfully or negligently cause any horse whose starting is obligatory to fail to start and run its race.

1699. Riding Rules.
During the running of the race:
(a) A horse shall not interfere with any other horse. Interference is defined as bumping, impeding, forcing or floating in or out or otherwise causing any other horse to lose stride, ground, momentum or position.
(b) A horse which interferes with another as defined in subsection (a) may be disqualified and placed behind the horse so interfered with if, in the opinion of the Stewards, the horse interfered with was not at fault and due to the interference lost the opportunity for a better placing.
(c) Jockeys shall not ride carelessly, or willfully, so as to permit their mount to interfere with any other horse.
(d) Jockeys shall not strike or strike at another horse or jockey so as to impede, interfere with, intimidate, or injure.
(e) If a jockey rides in a manner contrary to this rule, the mount may be disqualified and the jockey may be suspended or otherwise disciplined by the Stewards.
(f) When suspending a jockey for riding contrary to this rule, the Stewards shall issue a minimum suspension of two riding days, and shall issue a suspension greater than the minimum for (1) more than one infraction of this rule by the jockey within any contiguous 60 day calendar period or (2) any infraction which, in the opinion of the stewards, jeopardized the safety of another horse or jockey.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Sections 19461 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 8-13-97; effective 9-12-97.
3. Amendment filed 11-22-16; effective 1-1-17.
4. Amendment filed 3-22-18; effective 7-1-18.

1700. Returning to Finish After the Race.
A jockey, after the race, shall return his horse to the finish and upon returning he shall salute the stewards, and receive the permission of the stewards or their delegate to dismount. The jockey shall present himself with his equipment for weighing in immediately after so dismounting. The stewards may authorize any jockey and horse to participate in a ceremony or other approved special activity provided that such ceremony or special activity is under the observation of the stewards or other racing officials.

1701. Weighing In.
A jockey shall weigh in after the finish of the race and he shall not weigh less than one pound of his proper weight nor two pounds over his proper weight except that the stewards may take into account any excess weight caused by rain or mud. The stewards may disqualify any horse whose jockey weighs in at less than one pound of his proper weight, and shall discipline the persons responsible therefor.

1702. Claim of Interference or Other Foul.

A jockey, trainer or owner of a horse, who has reasonable grounds to believe that his horse was interfered with or impeded or otherwise hindered during the running of the race, or that any riding rule was violated by any other jockey or horse during the running of the race, may immediately make a claim of interference or foul with the clerk of scales, the stewards or their delegate before the race has been declared official. The stewards may thereupon hold an inquiry into the running of the race. No person shall make any claim of interference or foul knowing the same to be inaccurate, false or untruthful.

1703. Jockey Excused from Weighing In.
Should any jockey be unable to present himself for weighing in due to accident, injury, or other good cause, the stewards may excuse such jockey.

1704. Official Order of Finish.
When satisfied the order of finish is correct, all timely objections have been addressed, and the race has been properly run under the rules of the Board, the stewards shall order the official order of finish confirmed and the official sign posted for the race. The decision of the stewards as to the official order of finish for pari-mutuel wagering purposes is final, and no subsequent action may set aside or alter the official order of finish for the purposes of pari-mutuel wagering.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 9-1-94; effective 10-1-94.
2. Amendment filed 12-6-99; effective 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 9. HARNESS RACING RULES

1720. Harness Racing Rules.
The harness racing rules in this article shall apply to harness races in addition to other rules of this division.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Section 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.
2. Amendment filed 12-6-99; effective 12-6-99.

1721. Driving Rules.
No driver during a race shall:
(a) Change either to the right or left during any part of the race when another horse is so near that in altering the position of his horse he compels the horse behind him to shorten his stride, or causes the driver of such other horse to pull such horse out of his stride.
(b) Jostle, strike, hook wheels, or interfere with another horse or driver.
(c) Cross sharply in front of a horse or cross over in front of a field of horses in a reckless manner, endangering other drivers or horses.
(d) Swerve in or out or pull up quickly.
(e) Crowd a horse or driver by putting a wheel under him.
(f) Carry a horse out or sit down in front of him, take up abruptly in front of other horses so as to cause confusion or interference among the trailing horses, or do any other act which constitutes what is

popularly known as "helping."
(g) Let a horse pass inside needlessly.
(h) Lay off a normal pace and leave a hole when it is well within the horse's capacity to keep the hole closed.
(i) Commit any act which shall impede the progress of another horse or cause him to break.
(j) Change course after selecting a position in the home stretch, or bear in or out, in such manner as to interfere with another horse or cause him to change stride or break.
(k) Drive in a careless or reckless manner.
(l) Drive or cause to be driven any unreasonably slow quarters or fractions.
(m) Fail to use his best efforts to win.
(n) Whip his horse under the arch of the sulky.
(o) Drive in such manner as to obtain for himself an unfair advantage.

1722. Breaking.
Should any horse break from its gait in either trotting or pacing, the driver shall:
(a) Where clearance exists, take such horse to the outside.
(b) Attempt to pull the horse to its gait.
(c) Lose ground.

1723. Lapped-on Break.
The driver of a horse which has broken from its gait who has complied with the breaking rule shall not be set back unless a contending horse on his gait is lapped on the hind quarter of the breaking horse at the finish.

1724. Driver Must Be Mounted.
A driver must be mounted in his sulky during the race, and if not so mounted at the finish he shall be disqualified.

1725. Equipment.
All equipment, hobbles, head-poles, whips and other tack and equipment used in any race is subject to the approval of the stewards who may refuse a change in such equipment or require the use of such equipment as may be deemed proper.

1726. Wheel Discs.
Unless the stewards permit otherwise, every sulky used in a race shall be equipped with plastic wheel discs on the inside and outside of each wheel; such discs shall be either clear or solid pastel color.

1727. Starting Gate to Be Used.
A mobile starting gate shall be used to start all harness races. The starting gate so used shall be equipped with a communication system permitting communication between the starter and the stewards, and shall be otherwise maintained and equipped as may be required by the Board or the stewards.

1728. Starter's Control.
The starter shall have control over the horses from the formation of the parade until he gives the word "go." The starter shall report to the stewards any misconduct or violation on the part of a driver and may order any unmanageable or disabled horse declared from the race with concurrence of the stewards.

1729. Starting the Race.
The starter shall bring the horses to the starting gate as near one-quarter of a mile from the starting point as the track may permit, and shall endeavor to get all horses away in position and on gait. If a horse refuses to come to the gate, is unmanageable or liable to cause an accident or injury to any other horse or to a driver it may be declared and all monies wagered on that horse shall be refunded.

HISTORY:
1. Amendment filed 6-25-76; effective 7-25-76.

1730. Recalls.

The starter may sound a recall only for the following reasons:
(a) A horse scores ahead of the gate.
(b) There is interference prior to the word "Go" being given.
(c) A horse has broken equipment.
(d) A horse falls before the word "Go" is given.
There shall be no recall after the word "Go" has been given and any horse, regardless of his position or an accident, shall be deemed a starter from the time he entered into the starter's control unless dismissed by the starter.

HISTORY:
1. Amendment filed 6-25-76; effective 7-25-76.

1731. Driver Infractions.

No driver shall:
(a) Delay the start.
(b) Fail to obey the instructions of the starter.
(c) Rush ahead of the wing of the starting gate.
(d) Come to the starting gate out of position.
(e) Cross over before reaching the starting point.
(f) Interfere with another driver or horse during the start.
(g) Fail to come up into position.

1732. Racing Costume Required.

(a) A driver shall be attired in his own driving colors or the colors of the owners of the horse, white driving trousers with leg clips and a safety helmet, when driving in any race.
(b) No form of advertising including logos, labels, or product endorsements shall be permitted on a driver's attire during the running of a race.

NOTE:
Authority cited: Sections 19420 and 19562, Business and Professions Code.
Reference: Sections 19420 and 19562, Business and Professions Code.

HISTORY:
1. Amendment of subsection (a) and new subsection (b) filed 6-9-92; effective 7-9-92.

1733. Whips.

Whips shall not exceed four feet plus a snapper not longer than six inches. Whips shall be in good condition and are subject to inspection by the officials at any time.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19563, Business and Professions Code.

HISTORY:
1. Amendment filed 2-8-93; effective 3-10-93.
2. Amendment filed 10-16-06; effective 11-14-06.

1734. Use of Driving Whip.

(a) No driver shall use unreasonable force in whipping a horse, nor whip any horse causing welts or breaks in the skin, nor whip any horse about the head, nor whip any horse after the finish line has been crossed except when necessary to control the horse.

(b) Whipping shall be restricted to elbow and wrist action only, and the following actions regarding the use of the whip are prohibited:

(1) Raising the elbow above the driver's shoulder height.

(2) Allowing the hand holding the whip to reach behind the driver during the use of the whip.

(3) Use of the whip other than on the area inside and above the level of the shafts of the sulky and between the sulky shafts.

(4) Whipping under the arch of the shafts of the sulky.

(5) Use of the whip as a goading or poking device between the legs of the horse.

(6) Use of the whip when the horse does not appear to be advancing through the field of horses or is no longer in contention for purse money.

(7) Use of the whip more than two times in succession without giving the horse a chance to respond before using the whip again.

(8) Use of the whip more than six times during a race, excluding showing or waiving the whip.

(c) The driver must keep a line in each hand, except as may be necessary to adjust authorized equipment, which may include, but is not limited to, pulling ear plugs and dropping blinkers, beginning when the horse is behind the starting gate and continuing through the finish of the race. The lines must remain reasonably taut during the entire race.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19440 and 19563, Business and Professions Code.

HISTORY:
2. Amendment filed 2-8-93; effective 3-10-93.
3. Amendment filed 10-13-16; effective 1-1-17.
4. Amendment filed 11-22-22; effective 1-1-23.

1735. Driver's Minimum Fee.

(a) Driver's fees in the absence of a contract or special agreement are $20.00 or 5% of the purse earned, whichever is greater.

(b) The purpose of this rule is not to set a minimum or maximum fee. It provides a fee if the parties have not made a written agreement to the contrary.

(c) A driver's fee is considered earned when the horse he has been engaged to drive leaves the paddock for the post. If there is a substitution of drivers after the fee is earned, no additional driver fee or double driver fee need be paid except when ordered by the stewards.

(d) In this rule "Purse Earned" means the amount paid the winning horse less the fees paid by the owner to enter the horse in the race.

(e) If the parties agree on the fee to be paid the driver, a contract or agreement in writing signed by the driver or his agent and the owner or his authorized agent specifying the agreed upon fee shall be delivered to the paymaster of purses before the running of the race in question. The paymaster of purses shall debit the owner's purse account under the contract or written agreement. If no contract or written agreement is submitted before the running of the race in question, the paymaster of purses shall debit the owner's purse account under the fee scale set forth in this rule.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 8-15-74; effective 9-14-74.
2. Amendment filed 12-6-99; effective 12-6-99.

1736. Selecting Positions of Entered Horses for Harness Races.
Notwithstanding Rule 1598 of this division, post positions of entered horses in a harness race are determined by lot unless assigned under the conditions of the race.

NOTE:
Authority cited: Article IV of Section 19b, California Constitution, and Sections 19420, 19440, 19460 and 19562, Business and Professions Code.
Reference: Article IV of Section 19b, California Constitution, and Sections 19420, 19440, 19460 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 6-25-76; effective 7-25-76.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 12-6-99; effective 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 10. QUARTER HORSE RACING RULES

1740. Quarter Horse Rules.
The quarter horse racing rules in this article shall apply to quarter horse races in addition to other rules in this division.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.
2. Amendment filed 12-6-99; effective 12-6-99.

1741. Timing of Race.
Quarter horse races shall be started from a gate and shall be timed from the post at which the starting gate is placed from the time at which the starting gate stall doors are opened.

1742. Apprentice Allowance.
No quarter horse racing association is required to grant an apprentice allowance for any race.

1743. Thoroughbred and Appaloosa Horses Competing in Quarter Horse Races.
(a) Thoroughbred and Appaloosa horses may be entered in Quarter Horse races under the following conditions:
(1) Such races are held at Quarter Horse meets, mixed breed meets, and fair meets.
(2) Such races do not exceed a distance of five (5) furlongs.
(3) A Quarter Horse race in which Thoroughbreds and Appaloosas compete shall be designated as a Quarter Horse race.
(4) Thoroughbreds shall constitute less than half the number of horses in such races.
(5) A maiden Thoroughbred or a maiden Appaloosa competing in and winning a Quarter Horse race

loses its maiden status for all future races regardless of the value of the purse to the winner.

(6) A Thoroughbred or an Appaloosa competing in and winning a Quarter Horse race at a Quarter Horse race meeting, fair or mixed race meeting shall not be penalized for winning in races run thereafter at any Thoroughbred or mixed race meeting if the net winning purse to such horse is $2,750 or less.

(7) No claim for an apprentice allowance may be made for a Thoroughbred or an Appaloosa competing in a Quarter Horse race unless the conditions for the race provide for such an allowance for all competing horses in the race.

(8) No Thoroughbred or Appaloosa will run in a Quarter Horse race unless the past performance of the Thoroughbred or Appaloosa is published in a recognized racing publication or in the official program.

(9) The Racing Secretary shall provide information to recognized racing publications or the official program about the past performance of Thoroughbred and Appaloosa horses who have competed in previous Quarter Horse races.

(b) The association which conducts the meeting shall, as provided in subdivision (b) of Business and Professions Code 19613, pay to the horsemen's organization representing Thoroughbred horsemen an amount for administrative expense and services rendered to horsemen equivalent to 1.5 percent of the amount available to Thoroughbred horses for purses, and an amount for a pension plan for backstretch personnel to be administered by the horsemen's organization equivalent to an additional 1 percent of the amount available to the Thoroughbred horses for purses. The remainder of the portion shall be distributed as purses.

(c) Any redistributable money paid to the Board pursuant to Business and Professions Code Section 19641 which is paid to a welfare fund established by a horsemen's organization from races with both Thoroughbred and Quarter Horses shall be divided pro rata between the two welfare funds based on the number of Thoroughbreds and Quarter Horses in the race.

(d) Notwithstanding the composition of the qualifying field, payments made to horsemen's associations as specified in Business and Professions Code Section 19533(b) shall be made on the proportional basis of the horses officially starting the race.

NOTE:
Authority cited: Sections 19420, 19440 and 19533, Business and Professions Code.
Reference: Sections 19420, 19440 and 19533, Business and Professions Code.

HISTORY:
1. New rule filed 10-23-91; effective 11-22-91.
2. Repealer and new rule filed 3-30-93; effective 3-30-93.

TITLE 4, DIVISION 4, ARTICLE 10.5. MULE RACING

1747. Mule Racing Rules.

The mule racing rules in this article shall apply to mule races in addition to other rules in this division.

NOTE:
Authority cited: Sections 19440 and 19703 Business and Professions Code.
Reference: Sections 19440 and 19703, Business and Professions Code.

HISTORY:
1. New rule filed 10-25-07; effective 11-24-07.

1748. Shoeing Mules.

A mule that is not shod is eligible to start in a race.

NOTE:
Authority cited: Sections 19420 and 19703 Business and Professions Code.
Reference: Sections 19703, Business and Professions Code.

HISTORY:
1. New rule filed 10-25-07; effective 11-24-07.

TITLE 4, DIVISION 4, ARTICLE 11. OBJECTIONS AND PROTESTS; APPEALS

1750. Stewards to Make Inquiry.

The stewards shall make diligent inquiry into any objection or protest made either upon their own motion, by any racing official, or by any other person empowered by this division to make such protest or objection.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 1-6-94; effective 2-5-94.

1751. Objections.

Objections to the participation of a horse entered in any race shall be made to the stewards and confirmed in writing by the objector. An objection to a horse entered in a race shall be made not later than one hour before the scheduled post time of the race in which such horse is entered, except that the stewards upon their own motion may consider an objection until such time as the horse becomes a starter.

1752. Grounds for Objection.

An objection to a horse which is entered to race shall be made on the following grounds or reasons:

(a) A misstatement, error or omission in the entry under which a horse is to run.

(b) That the horse which is entered to run is not the horse it is represented to be at the time of entry, or that the age is erroneously given.
(c) That the horse is not qualified to enter under the conditions specified for the race, or that the allowances are improperly claimed or not entitled the horse, or that the weight to be carried is incorrect under the conditions of the race.
(d) That the horse is owned in whole or in part by a person ineligible to participate in racing or otherwise ineligible to own a race horse as provided in this Division.
(e) That the horse was entered without regard to an existing lien as otherwise prohibited in this Division.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19420, 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1753. Horse Subject to Objection Ineligible to Start.

The stewards may declare from the race any horse which is the subject of an objection if they have

reasonable cause to believe that the objection is valid.

1754. Protests.
A protest against any horse which has started in a race, shall be made to the stewards in writing, signed by the protestor, no later than seventy-two (72) hours after the race is declared official excluding non-racing days of the meeting. If the incident the protest is based upon occurs within the last two (2) days of the race meeting, the protest may be filed with the Executive Director of the Board no later than seventy-two (72) hours after the race is declared official excluding Saturdays, Sundays, or official holidays. Upon receipt of the protest the Executive Director will assign the protest to an active board of stewards. Protests shall state the specific reason or reasons in such detail to establish probable cause for the protest.

NOTE:
Authority cited: Sections 19420, 19440, and 19562, Business and Professions Code.
Reference: Sections 19420, 19440, and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 9-18-95; effective 10-18-95.

1755. Grounds for Protest.
A protest to the stewards may be made on any of the following grounds:
(a) Any ground for objection as set forth in this Article.
(b) The official order of finish, as determined by the stewards, was incorrectly posted.
(c) A jockey, driver, trainer or owner of a horse which started in the race was ineligible to participate in racing as provided in this Division.
(d) The weight carried by a horse was improper, by reason of fraud or willful misconduct.
(e) An unfair advantage was gained in violation of the rules.

NOTE:
Authority cited: Sections 19420, 19440, and 19562, Business and Professions Code.
Reference: Sections 19420, 19440, and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 9-18-95; effective 10-18-95.

1756. Persons Empowered to File Objection or Protest.
A jockey, driver, trainer or owner of a horse which is entered for or is a starter in a race is empowered to file an objection or protest against any other horse in such race upon the grounds set forth in this article for objections and protests.

1757. No Limitation on Time to File When Fraud Alleged.
Notwithstanding any other provision in this article, the time limitation on the filing of protests shall not apply in any case in which fraud or willful misconduct is alleged provided that the stewards are satisfied that the allegations are bonafide and susceptible of verification.

1758. Inaccurate Protest.
No person shall file any objection or protest knowing the same to be inaccurate, false, or untruthful.

1759. Horse to Be Disqualified on Valid Protest.
If a protest against a horse which has won or which has placed in any race is declared valid, that horse may be disqualified and the other horses in the race are entitled to places in the order in which they

finished. A horse so disqualified is a starter in the said race and may be placed last in the order of finish, or behind a horse interfered with.

1760. Purse Award or Prize to Be Withheld.

The stewards or the Board may order any purse, award or prize for any race withheld from distribution pending the detrmination of any protest; and in the event any purse, award or prize has been distributed to an owner or for a horse which by reason of a protest or other reason is disqualified or determined to be not entitled to such purse, award or prize, the stewards or the Board may order such purse, award or prize returned and redistributed to the rightful owner or horse. Any person who fails to comply with an order to return any purse, award or prize erroneously distributed shall be suspended until its return.

1761. Appeal from Decision of Stewards.

(a) From every decision of the stewards, except a decision concerning the disqualification of a horse due to a foul or a riding or driving infraction, an appeal may be made to the Board.
(b) Appeals shall be made in writing, stating the reason or reasons for the appeal, and shall be signed by the appellant, appellant's attorney, or appellant's representative. Appeals shall be received by a Board employee at any of its offices, not later than seventy-two (72) hours from the date of the decision of the stewards unless the Board for good cause extends the time for filing.
(c) An appeal shall not affect a decision of the stewards until the appeal has been sustained or dismissed or a stay order issued by the Chairman.

NOTE:
Authority cited: Sections 19420, 19440, and 19562, Business and Professions Code.
Reference: Section 19517, Business and Professions Code.

HISTORY:
1. Amendment filed 3-3-94; effective 4-4-94.
2. Amendment filed 12-13-95; effective 1-12-96.

1762. Temporary Stay Order.
(a) The Executive Director upon the direction of the Chairman, or in the absence of the Chairman any Commissioner, may issue a temporary stay order to stay execution of any ruling, order or decision of the stewards, other than a stay of a decision pertaining to the finish of a race for pari-mutuel pool distribution.
(b) An application for a temporary stay pending a hearing shall include facts and reasons to justify the issuance of the stay. Applications for a temporary stay order shall be filed with any office of the Board.
(c) The granting of a temporary stay order carries no presumption that the stayed decision of the stewards is or may be invalid.
(d) A temporary stay order may be dissolved at any time by order of the Chairman or his designee.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 10-6-78; effective 11-5-78.
2. Amendment filed 6-7-94; effective 7-7-94.
3. Amendment filed 12-6-99; effective 12-6-99.

1763. Decision upon Appeal.

The Board shall issue its decision upon any appeal in writing and such decision is subject to review by the court having jurisdiction.

1764. Appearance at Hearing upon Appeal.
The Board shall notify the appellant, the stewards and all licensees or other persons affected by decision under appeal of the date, time and location of its hearing in the matter. The burden shall be on the appellant to prove the facts necessary to sustain the appeal.

1765. Complaints.
Complaints filed with the stewards, in writing by any person, which allege misconduct or a violation of this division or the Horse Racing Law by any licensee or which allege or indicate improper activities or detrimental conduct on the part of any licensee, shall be referred to the Board and investigated by the Board or its investigators when there is sufficient reason to believe that such complaints are bonafide and subject to verification.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 1-6-94; effective 2-5-94.

1766. Designated Races.
(a) The Board of Stewards appointed for a race meeting shall, immediately prior to the commencement of that meeting, designate the stakes, futurities or futurity trials or other races in which a jockey or a driver who is under suspension for ten days or less for a riding or driving infraction will be permitted to compete, notwithstanding the fact that such jockey or driver is technically under suspension at the time the designated race is to be run.
(b) Official rulings for riding or driving infractions of ten days or less shall state: "The term of this suspension shall not prohibit participation in designated races in California." However, the Board of Stewards may prohibit a jockey or a driver from participating in designated races if such jockey or driver has previously been suspended at least twice during the race meeting specified in subsection (a) of this rule.
(c) Prior to the commencement of a meeting, a listing of the races designated in accordance with subsection (a) of this rule shall be submitted in writing to the Board. A copy of the list of designated races shall be posted in the Jockey or Driver's Room, and any other such place deemed appropriate by the stewards.
(d) A suspended jockey or driver must be named at the time of entry to participate in any designated race.
(e) A day in which a suspended jockey or driver participates in one designated race in California shall count as a suspension day.
(f) A day in which a suspended jockey or driver participates in more than one designated race in California shall not count as a suspension day.
(g) Notwithstanding the above, a day in which a jockey or a driver participates in one or more designated races in another jurisdiction while under suspension in California shall not count as a suspension day.
(h) A suspended jockey or driver who participates in more than one designated race under subsection (f) of this regulation, or in one or more designated race(s) under subsection (g) of this regulation, shall complete his or her term of suspension on an equivalent day of the week following the day on which the jockey or driver participated in the designated race(s).

NOTE:
Authority cited: Section 19460, Business and Professions Code.
Reference: Sections 19460, 19461 and 19520, Business and Professions Code.

HISTORY:
1. New rule filed 3-8-93; effective 4-7-93.
2. Amendment filed 9-9-10; effective 10-9-10.

TITLE 4, DIVISION 4, ARTICLE 12. COLORS, STABLE NAMES, AGENTS

1780. Registration of Colors.

Racing colors shall be registered with the clerk of the course when registering a horse within an inclosure, and authority for the use of such colors must be sanctioned by the Board. No color may bear any symbols or markings which could be interpreted as for advertising purposes. Any difference between claimants to the right of particular colors shall be decided by the stewards. The registered colors of an owner may not be registered by another, except after five years of non-use or abandonment by the registering owner. Any temporary change from the registered colors of the owner must be approved by the stewards.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 1-6-94; effective 2-5-94.

1781. Responsibility for Colors.

The owner is responsible for the registration of colors and for their availability to and use by the jockey engaged to ride his horse. The stewards may make a temporary substitution of colors when necessary.

1782. Program to Note Owner's Colors.

The colors to be worn by each jockey in a race shall be described in the official racing program and any change in such colors from those described in the program shall be announced to the public prior to the commencement of the race.

1783. Registration of Stable Names and Stable Name Groups.

(a) A licensed owner may register a stable name with the Board by filing an application and paying the fee for such stable name.
- (1) A stable name is subject to the approval of the Board.
- (2) No person may register more than one stable name at the same time.
- (3) No person may use the real name of any owner of racehorses as his stable name.
- (4) No stable name registration may be used for advertising purposes.
- (5) A stable name that has already been registered may not be registered by another owner.

(b) A licensed owner may register a stable name group with the Board by filing an application and paying the fee for the stable name group. The stable name group shall be subject to Subparagraphs (a)(1) through (a)(5) above. The stable name group may establish multiple entities that shall run under the name of the registered stable name group.
- (1) Each entity shall be registered, as applicable, in accordance with Rule 1481; Rule 1506; Rule 1507 and Rule 1784 of this division.
- (2) The entity shall name the horse(s) it owns, and such horse(s) shall be owned separately from the other entities within the stable name group.

(3) Each entity shall possess a unique roster of owners. The roster shall name each owner and state if the owner is a general or a limited partner as well as the percentage of ownership of each. The roster shall be filed with the racing office and with the Board's occupational licensing office.
(4) A licensed owner may participate in the horse ownership of one or more entities that run under a stable name group.
(A) A partner whose ownership interest in an entity that runs under a stable name group is 10 percent or less of such entity may elect not to obtain a license as horse owner. For the purposes of this regulation, such partner shall be considered a limited partner. However, the partner may elect at any time to obtain a license as horse owner, and for the purposes of this regulation, shall then be considered a general partner.
(5) A partner who owns 10 percent or less of an entity that runs under a stable name group is not subject to the provisions of Rule 1606 of this division when a horse owned by the entity in which the partner participates is entered to race in the same race in which the partner has ownership interest in another horse that is entered to race.
(c) The granting of a stable name or stable name group registration by the Board shall not relieve any person from his obligation to file or register a fictitious name as provided by the laws of the State of California.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19460 and 19520, Business and Professions Code.

HISTORY:
1. Amendment filed 7-10-08; effective 8-9-08.

1784. Registration to Disclose All Partners.
(a) An application to register a stable name shall disclose the real names of all partnership or ownership interests participating in the stable and the percentage of ownership interest of each, including the interest owned by any corporation, limited liability company (Corporations Code section 17000 et seq.), general partnership, limited partnership, trust, estate, person or individual.
(b) A registered stable name group shall comply with the provisions of subparagraph (a) of this regulation for each entity that runs under the stable name group.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19460 and 19520, Business and Professions Code.

HISTORY:
1. Amendment filed 8-14-98; effective 9-13-98.
2. Amendment filed 7-10-08; effective 8-9-08.

1786. Change of Stable Name Registration or Ownership of Stable.
(a) A stable name may be changed at any time by registering a new stable name and paying the fee as set by the Board.
(b) A stable name registration may be abandoned, or an expired stable name registration may be transferred to a new owner by giving written notice to the Board and to the stewards. A stable name registration that has expired, and has remained unregistered for at least three consecutive years, shall be considered abandoned.
(c) Any change in ownership, in whole or in part, of a currently registered stable name shall be immediately reported in writing to the Board and to the stewards. If the stable consists of multiple owners, the notification must be signed by at least the designated person responsible for the stable's conduct as

listed on the stable name registration form and the person whose name is being removed, or added. A signature must be notarized if the person who signs is not present when the notification is presented to the Board.

NOTE:
Authority cited: Sections 19440 and 19520, Business and Professions Code.
Reference: Sections 19440, 19521 and 19520, Business and Professions Code.

HISTORY:
1. Amendment filed 8-10-93; effective 9-9-93.
2. Amendment filed 10-21-96; effective 11-20-96.

1787. Limitation of Use of Stable Name.

No owner may use his real name for racing purposes if he has a registered stable name, except with approval of the stewards or the Board.

1788. Authorized Agent Registration.

A licensed owner may register his authorized agent by filing a registration of authorized agent with the Board and by paying the fee set by the Board. No person shall be registered as an authorized agent who is ineligible for a license. An authorized agent may act for the registering
owner as set forth in the registration form.

1789. Prohibited Acts of Agent.

No authorized agent may sign on behalf of any owner the certificate of registration for any horse in the absence of a valid power of attorney authorizing such signature.

1790. Jockey Agent.

A jockey agent is the authorized representative of a jockey if he is registered with the stewards as his representative by the employing jockey. No jockey agent shall represent more than two jockeys at the same time except with permission of the stewards who may also limit a jockey agent to the representation of one jockey if circumstances so warrant. Jockeys are bound by agreements made on their behalf by their agents.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Section 19401(a) and (e), Business and Professions Code.

HISTORY:
1. Amendment filed 4-12-79; effective 5-12-79.

1791. Records Required of Jockey Agents.

Every jockey agent shall maintain a record of all engagements made for the jockeys he represents, and such record shall specify first, second or third calls in each race. The officials may require that the jockey agent file his first, second or third calls with the Racing Secretary and may require the jockey agent to display his record of engagements. A trainer or owner may demand a written confirmation of an engagement from a jockey or his agent. Conflicting claims for the services of a jockey shall be decided by the stewards.

1792. Acting as Jockey Agent.

No person other than a licensed jockey agent shall make engagements for a jockey, except that the holder of a contract of any jockey or apprentice jockey, or his authorized agent, may make engagements

for the jockey under contract. A jockey may make his own engagements.

1793. Stable Agent.
A stable agent is the authorized representative of a stable or an owner, who is licensed as a stable agent by the Board. A stable agent may act on behalf of a stable or owner in the entry of horses, the deposit of funds with the Paymaster of Purses on behalf of the stable, in the engagement of a jockey, and in such other matters as authorized by the owner or stable.

1794. Prohibited Acts of Stable Agent.
No stable agent shall be eligible to withdraw any funds of the owner or stable from the association, or file any claim in any claiming race, or sign on behalf of the owner or stable any certificate of registration of any horse in the absence of a valid power of attorney authorizing such signature.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 5-6-94; effective 6-5-94.

TITLE 4, DIVISION 4, ARTICLE 13. BLOODSTOCK AGENTS

1800. Bloodstock Agents.
For the purpose of this article, a bloodstock agent is defined as any person who for gain, gratuity, commission or reward, in either money or goods, acts as an agent for the sale or purchase of any race horse not his own which is eligible to race at an authorized race meeting in this State.

1801. Bloodstock Agents to Register.
Every bloodstock agent who offers for sale, offers to purchase for a client, or his own account for resale within 60 days, or offers his service as an agent in the purchase or sale of any race horse not his own which is eligible to race in this State, shall register with the Board on registration forms provided by the Board.

1802. Sales with Warranties.
Every bloodstock agent who participates as an agent in the purchase or sale of any race horse where any warranty of soundness, condition or racing ability is expressed or implied shall file with the Board within five days of the date of sale a memorandum report of warranty which shall set forth the warranties expressed or implied. In the absence of any such filing it shall be presumed that no warranties were expressed or implied by the seller. A memorandum report of warranty shall be signed by both seller and purchaser or by the bloodstock agents acting in their behalf.

1803. Sales with Conditions.
Every bloodstock agent who participates as an agent in the purchase or sale of any race horse eligible to race in this State where any condition of such purchase or sale includes any lien upon such horse by the seller or other person shall file a memorandum report of conditional sale with the Board within five days of the date of sale.

1804. Misrepresentations.
No bloodstock agent shall misrepresent any material fact, nor shall he withhold any material fact which he knows, from any person connected with the sale of a horse; nor shall any bloodstock agent misrepresent his personal interest in any horse.

1805. Failure to Comply with Regulations.
Any bloodstock agent or licensee who violates any provision of this article shall be refused admission to all private areas or restricted areas of the inclosure.

1806. Auction Sales.
The provisions of this article shall not apply to auction sales which are authorized and/or approved by the Board; provided, however, that any warranty or condition of sale set forth in any sale catalog, printed offer of sale or sales agreement shall be considered as a memorandum report of warranty or condition of sale, whether or not filed with the Board.

TITLE 4, DIVISION 4, ARTICLE 13.5. AUTHORIZED HORSE SALES

1807. Authorized Horse Sales.
Upon application by a recognized breeder's association, sales organization, or any other person, the Board may authorize a horse sale or horse auction sale for the sale of race horses or breeding stock that is used in the production of race horses, to be held on the premises of a racing association, and the authorization and approval of such horse sale or horse auction sale shall be upon such conditions as may be imposed by the Board.

NOTE:
Authority cited: Section 19(b) of Article IV, California Constitution and Sections 19420, 19440, 19460 and 19562, Business and Professions Code.

HISTORY:
1. New article 13.5 (rules 1807, 1808, and 1809) filed 1-9-74 as an emergency; effective 1-9-74.
2. Amendment filed 2-15-74 as an emergency; effective 2-15-74.

1808. Medications Prior to Sale.
(a) Persons owning or having care, custody or control over a horse offered for sale at an authorized horse sale or horse auction sale under the jurisdiction of the Board shall not administer to the horse any substance which is recognized as an injectable, oral or topical medication or drug within 72 hours of the time the horse is offered for sale unless the administration of the medication or drug is reported to the official veterinarian appointed by the Board to act at the authorized horse sale or horse auction sale before the sale of the horse in a manner as the official veterinarian may direct.
(b) Upon request of a prospective purchaser of a horse offered for sale at an authorized horse sale or horse auction sale, the official veterinarian shall make available to the prospective purchaser the report of medication administered to the horse.
(c) Compliance with this rule is the responsibility of the consignor of the horse and/or the person(s) having the care, custody or control of the horse. Violation of this rule is punishable by the Board by fine or in a manner determined by the Board.

NOTE:
Authority cited: Sections 19420, 19440 and 19580, Business and Professions Code.
Reference: Sections 19420, 19440 and 19580, Business and Professions Code and Section 24011, Food and Agriculture Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1809. Post-Sale Tests.
The official veterinarian at any authorized horse sale or horse auction sale may administer a blood test

to any horse sold at such sale and shall make such test at the request of the purchaser of the horse, and the blood sample shall be delivered to the official laboratory approved by the Board for analysis.

TITLE 4, DIVISION 4, ARTICLE 14. CALIFORNIA-BRED AWARDS

1811. Registration of Cal-Bred.

The breeder or owner of a California-Bred horse shall register such horse with the Board recognized agencies for such registration: the California Thoroughbred Breeders Association if a Thoroughbred, the California Harness Horse Breeders Association if a Standardbred, the Pacific Coast Quarter Horse Racing Association, if a Quarter Horse, the Cal-Western Appaloosa Racing, Inc., if an Appaloosa, or the Arabian Racing Association of California if an Arabian.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440, 19565, 19566.5 and 19617.7, Business and Professions Code.

HISTORY:
1. Amendment filed 10-7-77; effective 11-6-77.
2. Amendment filed 1-18-84; effective 2-17-84.
3. Amendment filed 8-2-93; effective 9-1-93.

1812. Registration Required for Cal-Bred Eligibility.

Unless the breeder or owner of a California-bred horse has registered the same with the official registering agency for the California-bred horses and attested that the horse is a California-bred, such horse is ineligible for entry in races for California-bred horses. The breeder of such horse is not entitled to a California-bred breeder's award for such horse.

1813. Associations to Program California-Bred Race.

The association shall provide one race on each racing day which is limited to California-bred horses. If, however, sufficient competition cannot be had among horses of that class on any day, it may be canceled with the approval of the stewards. The stewards shall report to the Board the cancellation of such race and the reasons therefore.

1814. California-Bred Breeder's Award.

(a) The association shall pay a California-bred Breeder's Award which shall amount to 10% of the winning purse of any race won by a California-bred standardbred horse, to the registered breeder of such winning horse. Such award shall be paid within 30 days of the close of the meeting from funds generated pursuant to Section 19617.5 of the Business and Professions Code. A horse not properly registered as a California-bred at the time of his winning shall not be entitled to a California-bred award for such race. Standardbred Sires Stakes Races are exempt from the provisions of this subsection.
(b) The association shall pay a California-bred Breeder's Award which shall amount to 10% of the first and second place money of every purse won by a California-bred arabian horse pursuant to Section 19567 of the Business and Professions Code. Such funds shall be deposited by the association with the arabian official registering agency and distributed as specified in Section 19617.8 (c)-(g) of the Business and Profession Code.
(c) The association shall pay a California-bred Breeder's Award which shall amount to 10% of the winning purse of any race won by a California-bred quarter horse pursuant to Section 19567 of the Business and Professions Code. Such funds shall be deposited by the association with the quarter horse official registering agency and distributed as specified in Section 19617.7 of the Business and Professions Code.
(d) The association shall deposit with the thoroughbred official registering agency, a portion of its handle pursuant to the provisions of Section 19617.2 of the Business and Professions Code, which shall be

distributed as California-bred Breeder's Awards to the registered breeder of California-bred thoroughbred horses finishing first, second or third in any race run in this state, and to the registered breeder of California-bred thoroughbred horses finishing first, second or third in all graded stakes races run in the United States.
(e) The thoroughbred official registering agency shall distribute annually, California-bred Breeder's Awards to the registered breeders of California-bred thoroughbred horses pursuant to the provisions of Section 19617 of the Business and Professions Code.
(f) The association shall deposit with the appaloosa official registering agency, a portion of its handle pursuant to the provisions of Section 19617.9 (b) of the Business and Professions Code, which shall be distributed as California-bred Breeder's Awards to the registered breeder of California-bred appaloosa horses. The Breeder's Award shall be a prorated share of first and second earnings in any race run in this state as provided in Section 19617.9 (c) and (d) of the Business and Professions Code.

NOTE:
Authority cited: Sections 19567, 19617, 19617.2, 19617.5, 19617.7 and 19617.8, Business and Professions Code.
Reference: Sections 19567, 19617,19617.2, 19617.5, 19617.7, 19617.8 and 19617.9, Business and Professions Code.

HISTORY:
1. Amendment filed 10-4-93; effective 11-3-93.
2. Amendment filed 6-21-96; effective 7-21-96.
3. Amendment filed 6-23-97; effective 6-23-97.

1815. Decision as to Eligibility of Cal-Bred.
Questions as to the registration, eligibility for registration, or breeding of a California-bred horse shall be decided by the official registering agency designated by the Board. The official registering agency may demand and inspect any registration certificate or record of a California breeder and may require affidavits in support of any claim for California-bred registration. Questions as to the eligibility for, nomination or entry to a race restricted to California-bred horses which is sponsored by the official registering agency shall be decided by the official registering agency. A decision of the official registering agency shall be subject to review by the Board which retains the right to make the final decision as to any right or liability under this article.

NOTE:
Authority cited: Sections 19562 and 19565, Business and Professions Code.
Reference: Sections 19562 and 19565, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1825. Disputes with Respect to Stallion Awards.
Any dispute with respect to stallion awards must be submitted in writing to the Board in such manner and at such time as to permit the Board, in the exercise of reasonable diligence, to determine the same prior to the time at which distribution of such award would be made pursuant to this article. The Board's decision in such matter shall be final and binding upon the parties.

TITLE 4, DIVISION 4, ARTICLE 15. VETERINARY PRACTICES

1840. Veterinary Practices and Treatments Restricted.
(a) No person other than a Board-licensed veterinarian shall administer to any horse within the inclosure

any veterinary treatment or any medicine, medication, or other substance recognized as a medication, except for recognized feed supplements or oral tonics or substances approved by the official veterinarian, or except under the direction or prescription of a veterinarian licensed by the Board.
(b) No person other than a Board-licensed veterinarian or registered veterinary technician (RVT) under the direct supervision of a Board-licensed veterinarian, may perform endoscopy within an inclosure. Nothing in this rule shall be construed to permit an RVT to make a diagnosis.
(c) No person other than a Board-licensed veterinarian or RVT under the supervision of a Board-licensed veterinarian, shall administer to any horse within the inclosure any substance with a hypodermic needle.
(d) No person other than a Board-licensed veterinarian shall administer to any horse within the inclosure any substance through a nasogastric tube.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440, 19562, and 19583, Business and Professions Code.

1841. Veterinarians Under Supervision of Official Veterinarian.
Veterinarians licensed by the Board and practicing at an authorized meeting are under the supervision of the official veterinarian and the stewards. The official veterinarian shall recommend to the stewards or the Board the discipline to be imposed upon a veterinarian who violates the rules and he may sit with the stewards in any hearing before the stewards concerning such discipline or violation.

1842. Veterinarian Report.
(a) Every veterinarian who treats a horse within the inclosure shall, using an electronic on-line form prescribed by the Board, report to the official veterinarian in a manner prescribed by the official veterinarian:
(1) the name of the horse treated,
(2) the name of the trainer of the horse,
(3) the time of treatment,
(4) any medication administered to the horse, and
(5) any other veterinary medical information related to the treated horse's health requested by the official veterinarian to help ensure compliance with California Code of Regulations Title 4, Division 4, or Business and Professions Code Division 8, Chapter 4, or to promote horse health and safety.
(b) Any such report is confidential, and its content shall not be disclosed except in a proceeding before the stewards or the Board, or in exercise of the Board's jurisdiction.

NOTE:
Authority cited: Sections 19440, 19580 and 19583, Business and Professions Code.
Reference: Sections 19440, 19580 and 19583, Business and Professions Code.

HISTORY:
1. Amendment of section and new NOTE filed 10-8-20; Effective 1-1-21.

1842.1. Additional Reporting for Intra-Articular Treatments.
(a) Every CHRB-licensed veterinarian who administers a medication or treatment into an articular structure of a horse located within any CHRB inclosure shall provide to the horse's trainer on form CHRB-24A, Intra-Articular Treatment Record (New 05/18), which is hereby incorporated by reference, the name of the horse treated, the date and time of treatment, the intra-articular structure(s) treated, the medication administered, the dose, and the reason for treatment.
(b) The trainer shall be required to maintain all intra-articular treatment records of horses in his or her care for a minimum of one year from the date of the treatment. The records shall be organized by horse,

and shall be made available to the examining veterinarian by the trainer for the purpose of assisting with pre-race veterinary examinations or other examinations as required pursuant to this Division.

NOTE:
Authority cited: Sections 19440, 19562 and 19580, Business and Professions Code.
Reference: Sections 19440, 19562 and 19580, Business and Professions Code.

HISTORY:
1. New rule filed 3-12-2019; effective 7-1-2019.

1842.5. Trainer to Maintain Medication Treatment Records.

(a) Every trainer shall maintain a record of all medication treatments administered a horse under their care that are within the inclosure.
(b) Each medication treatment record shall include:
(1) the name of the horse,
(2) the date the medication treatment commenced and the prescribed duration of the treatment,
(3) the name of the medication, the route of administration and the dosage regimen,
(4) the name of the person administering each medication treatment,
(5) the date and time of each administration, and
(6) the name of the CHRB licensed veterinarian prescribing the medication treatment.
(c) Medication treatment records shall be made available for inspection upon request by the Official Veterinarian, Board of Stewards, or CHRB investigators.
(d) Treatments administered by CHRB licensed veterinarians that are required to be reported under Rule 1842 are exempt from the requirements of this regulation.

NOTE:
Authority cited: Sections 19440 and 19580, Business and Professions Code.
Reference: Section 19580, Business and Professions Code.

HISTORY:
1. New rule filed 7-13-2020; effective 10-1-2020.

1843. Medication, Drugs and Other Substances.
It shall be the intent of these rules to protect the integrity of horse racing, to guard the health of the horse, and to safeguard the interests of the public and the racing participants through the prohibition or control of all drugs, medications and drug substances foreign to the horse. In this context:
(a) No horse participating in a race shall carry in its body any drug substance or its metabolites or analogues, foreign to the horse except as hereinafter expressly provided.
(b) No drug substance shall be administered to a horse which is entered to compete in a race to be run in this State except for approved and authorized drug substances as provided in these rules.
(c) No person other than a licensed veterinarian or animal health technician shall have in his/her possession any drug substance which can be administered to a horse, except such drug substance prescribed by a licensed veterinarian for a specific existing condition of a horse and which is properly labeled.
(d) A finding by an official chemist that a test sample taken from a horse contains a drug substance or its metabolites or analogues which has not been approved by the Board, or a finding of more than one approved non-steroidal, anti-inflammatory drug substance or a finding of a drug substance in excess of the limits established by the Board for its use shall be prima facie evidence that the trainer and his/her agents responsible for the care of the horse has/have been negligent in the care of the horse and is prima facie evidence that the drug substance has been administered to the horse.

(e) Nothing in this Article shall prevent a racing association or fair from setting eligibility conditions, as agreed to with the acknowledged horsemen's organization(s), for individual races, or for its entire race meet, that prohibit the use and/or presence of drug substances or medications in biological test samples collected from participating horses at detection levels lower than what is authorized by the Board. Such conditions, if established in accordance with Rule 1581, shall not be deemed in conflict with the rules and regulations of the Board.

NOTE:
Authority cited: Sections 19440, 19580, 19581 and 19582, Business and Professions Code.
Reference: Sections 19401, 19440, 19580, 19581 and 19582; Sections 337f, g and h, Penal Code.

HISTORY:
1. Repealer and new rule filed 10-29-81; effective 11-28-81.
2. Amendment of subsections (a), (c) and (d) filed 8-19-92; effective 9-18-92.
3. Amendment filed 7-25-16 as an emergency; effective through 1-24-17.
4. Amendment filed 7-26-17; effective 7-26-17.

1843.1. Prohibited Drug Substances.
For purposes of this division, prohibited drug substance means: (a) any drug, substance, medication or chemical foreign to the horse, whether natural or synthetic, or a metabolite or analog thereof, whose use is not expressly authorized in this article. (b) any drug, substance, medication or chemical authorized by this article in excess of the authorized level or other restrictions as set forth in this article.

NOTE:
Authority cited: Sections 19440, 19562, 19580 and 19581, Business and Professions Code.
Reference: Sections 19440, 19562, 19580 and 19581, Business and Professions Code.

HISTORY:
1. New rule filed 10-7-94; effective 11-6-94.

1843.2. Classification of Drug Substances.
The Board, the board of stewards, the hearing officer, or the administrative law judge, when adjudicating a hearing for a violation of Business and Professions Code section 19581, shall consider the classification of the substance as referenced in the California Horse Racing Board (CHRB) Classification of Foreign Substances, Alphabetical Substances List (Rev. 02/21), hereby incorporated by reference, which is based on the Association of Racing Commissioners International (ARCI) Uniform Classification Guidelines for Foreign Substances (12/20), as modified by the Board. [See CHRB website “Veterinary” section for a complete copy of rule 1843.2 including alphabetical substances list.]

NOTE:
Authority cited: Sections 19580, 19581 and 19582, Business and Professions Code.
Reference: Sections 19580, 19581 and 19582, Business and Professions Code.

HISTORY:
1. New rule filed 8-7-95; effective 9-6-95.
2. Amendment filed 12-6-99; effective 12-6-99.
3. Amendment filed 5-23-08; effective 5-23-08.
4. Amendment filed 8-4-08; effective 8-4-08.
5. Amendment filed 5-3-13; effective 7-1-13.
6. Amendment filed 10-5-15; effective 10-5-15.
7. Amendment filed 10-18-18; effective 1-1-19.

8. Amendment filed 2-20-19; effective 2-20-19.
9. Amendment filed 7-26-21; effective 7-26-21.

1843.3. Penalties for Medication Violations.

(a) In reaching a decision on a penalty for a violation of Business and Professions Code section 19581, the Board, the board of stewards, the hearing officer or the administrative law judge shall consider the penalties set forth in subsections (d) and (e) of this Rule and any aggravating and mitigating circumstances. Deviation from these penalties is appropriate where the facts of the particular case warrant such a deviation, for example: there may be mitigating circumstances for which a lesser or no penalty is appropriate, and aggravating factors for which a greater penalty is appropriate. Multiple violations of Business and Professions Code section 19581 are also subject to separate, enhanced penalties pursuant to CHRB Rule 1843.4. Any enhanced penalty imposed under CHRB Rule 1843.4 shall run consecutive to any suspension imposed under this section.

(b) Mitigating circumstances and aggravating factors, which must be considered, include but are not limited to:

(1) The past record of the licensee regarding violations of Business and Professions Code section 19581;

(2) The potential of the drug(s) to influence a horse's racing performance and the amount of the drug present;

(3) The legal availability of the drug and whether the drug was prescribed to the horse by a California Horse Racing Board (CHRB) licensed veterinarian;

(4) Whether there is reason to believe the responsible party knew of the administration of the drug or intentionally administered the drug;

(5) The steps taken by the trainer to safeguard the horse;

(6) The steps taken by an owner to safeguard against subsequent medication violations including, but not limited to, the transfer of the horse(s) to an unaffiliated trainer;

(A) "Unaffiliated trainer" means a trainer or an assistant trainer who is not related by blood, marriage or domestic partnership, or who is not or was never employed by the trainer from whose care such horse(s) were transferred.

(7) The probability of environmental contamination or inadvertent exposure due to human drug use or other factors;

(8) The purse of the race;

(9) Whether the drug found to be present in the official test sample was one for which the horse was receiving treatment as determined and documented through the process described in Rule 1842 of this division;

(10) Whether there was any suspicious wagering pattern on the race;

(11) Whether the licensed trainer was acting under the advice of a CHRB licensed veterinarian.

(c) The Board shall consider the classification of a drug substance as referred to in Rule 1843.2 of this division and the California Horse Racing Board (CHRB) Penalty Categories Listing by Classification, (Revised 4/15), which is hereby incorporated by reference, if a determination is made that an official test sample from a horse contained:

(1) Any drug substance, medication, metabolites or analogues thereof foreign to the horse, whose use is not expressly authorized in this division, or

(2) Any drug substance, medication or chemical authorized by this article in excess of the authorized level or other restrictions as set forth in the article.

(d) Penalties for violation of each classification level are as follows:

CATEGORY "A" PENALTIES

Penalties for violations due to the presence of a drug substance in an official test sample, which CHRB drug classification is categorized as warranting a Category A penalty are as follows:

LICENSED TRAINER:		
1st offense	**2nd LIFETIME offense**	**3rd LIFETIME offense**
◦ Minimum one - year suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a three-year suspension. **AND** ◦ Minimum fine of $10,000 or 10% of gross purse (greater of the two) absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $25,000 or 25% of purse (greater of the two). **AND** ◦ May be referred to the Board for any further action deemed necessary by the Board.	◦ Minimum two-year suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a three-year suspension. **AND** ◦ Minimum fine of $20,000 or 25% of gross purse (greater of the two) absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $50,000 or 50% of purse (greater of the two). **AND** ◦ May be referred to the Board for any further action deemed necessary by the Board.	◦ Minimum three-year suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of permanent license revocation. **AND** ◦ Minimum fine of $25,000 or 50% of gross purse (greater of the two) absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of $100,000 or 100% of purse (greater of the two). **AND** ◦ May be referred to the Board for any further action deemed necessary by the Board.
LICENSED OWNER:		
1st offense	**2nd LIFETIME offense in owner's stable**	**3rd LIFETIME offense in owner's stable**
◦ Disqualification of horse and loss of purse. **AND** Horse may be placed on the veterinarian's list for up to 90 days and must pass a Board - approved examination pursuant to Rule 1846 before becoming eligible to be entered. **AND** ◦ Be subject to drug testing at the owner's expense and be	◦ Disqualification of horse and loss of purse. **AND** ◦ Horse shall be placed on the veterinarian's list for up to 120 days and must pass a Board - approved examination pursuant to Rule 1846 before becoming eligible to be entered. **AND** ◦ Be subject to drug testing at	◦ Disqualification of horse, loss of purse and absent mitigating circumstances, minimum fine of $10,000. The presence of aggravating factors could be used to impose a maximum fine of $50,000. **AND** ◦ Horse shall be placed on the veterinarian's list for up to 180 days and must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered. **AND** ◦ Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as

negative for prohibited drug substances as defined in Rule 1843.1.	the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.	defined in Rule 1843.1. **AND** ◦ Referral to the Board with a recommendation of a suspension of owners license for a minimum of 90 days.

CATEGORY "B" PENALTIES

Penalties for violations due to the presence of a drug substance in an official test sample, which CHRB drug classification is categorized as warranting a Category B penalty are as follows:

LICENSED TRAINER:		
1st offense	**2nd offense (within two year time period)**	**3rd offense (within five year time period)**
◦ Minimum 30-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension. **AND/OR** ◦ Minimum fine of $500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $10,000.	◦ Minimum 60-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 180-day suspension. **AND/OR** ◦ Minimum fine of $1,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $20,000.	◦ Minimum 90-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a one-year suspension. **AND/OR** ◦ Minimum fine of $2,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $50,000 or 10% of purse (greater of the two). **AND** ◦ May be referred to the Board for any further action deemed necessary by the Board.
LICENSED OWNER:		
1st offense	**2nd offense in stable (within two year time period)**	**3rd offense in stable (within five year time period)**
◦ Disqualification of horse and loss of purse. **AND**	◦ Disqualification of horse and loss of purse. **AND**	◦ Disqualification of horse, loss of purse and absent mitigating circumstances minimum fine of $5,000. The presence of aggravating factors could be used to impose a maximum fine of $20,000. **AND**

◦ Horse must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered. **AND** ◦ Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.	◦ Horse must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered. **AND** ◦ Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.	◦ Horse shall be placed on the veterinarian's list for up to 45 days and must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered. **AND** ◦ Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.

CATEGORY "B" PENALTIES FOR RULE 1843.6 TOTAL CARBON DIOXIDE (TCO_2) TESTING

Penalties for violations due to exceeding permitted levels of TCO_2 as defined in Rule 1843.6 are as set forth below. All concentrations are for measurements in serum or plasma.

LICENSED TRAINER:		
1st offense TCO_2 (> 37.0 mml/l- <39 mml/l)	**2nd offense TCO_2 (> 37.0 mml/l-<39 mml/l)**	**3rd offense TCO_2 (> 37.0 mml/l-<39 mml/l)**
◦ Up to a 30-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension. **AND/OR** ◦ Minimum fine of $1,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $5,000.	◦ Minimum 60-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 120-day suspension. **AND/OR** ◦ Minimum fine of $2,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $10,000.	◦ Minimum 90-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 180-day suspension. **AND/OR** ◦ Minimum fine of $5,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $15,000.
LICENSED OWNER:		
1st offense TCO_2 (> 37.0 mml/l-<39mml/l)	**2nd offense TCO_2 (> 37.0 mml/l-<39 mml/l)**	**3rd offense TCO_2 (> 37.0 mml/l-<39 mml/l)**
◦ Disqualification of horse and loss of purse.	◦ Disqualification of horse and loss of purse.	◦ Disqualification of horse, loss of purse and in the absence of mitigating circumstances, $2,500 fine.
LICENSED TRAINER:		
1st offense TCO_2 (≥ 39.0	**2nd offense TCO_2 (≥ 39.0 mml/l)**	**3rd offense TCO_2 (≥ 39.0**

mml/l)		**mml/l)**
◦ Minimum 30-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension. **AND/OR** ◦ Minimum fine of $2,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $10,000.	◦ Minimum 60-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 180-day suspension. **AND/OR** ◦ Minimum fine of $5,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $15,000.	◦ Minimum 90-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 365-day suspension. **AND/OR** ◦ Minimum fine of $10,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of $25,000.
LICENSED OWNER:		
1st offense TCO_2 (≥ 39.0 mml/l)	**2nd offense TCO_2 (≥ 39.0 mml/l)**	**3rd offense TCO_2 (≥ 39.0 mml/l)**
◦ Disqualification of horse and loss of purse.	◦ Disqualification of horse and loss of purse.	◦ Disqualification of horse, loss of purse and a fine ranging from a minimum of $5,000, up to a maximum of $20,000.

CATEGORY "C" PENALTIES

Penalties for violations due to the presence of a drug substance in an official test sample, which CHRB drug classification is categorized as warranting a Category C penalty and furosemide as defined in Rule 1845 of this division in an official test sample are as set forth below. All concentrations are for measurements in serum or plasma.

LICENSED TRAINER:		
1st offense	**2nd offense (within 365-day period)**	**3rd offense (within 365-day period)**
◦ Minimum fine of $500 to a maximum fine of $1,000 absent mitigating circumstances.	◦ Minimum fine of $1,000 to a maximum fine of $2,500, and up to a 15 - day suspension absent mitigating circumstances.	◦ Minimum fine of $2,500 and up to a 30 - day suspension absent mitigating circumstances

Penalties for a fourth violation within a 365-day period shall require a minimum 15-day suspension and $2500 fine. Penalties for any subsequent violation within a 365-day period shall require a greater suspension and fine than the penalty imposed for the previous violation.

(e) Violations due to the presence of a drug substance in an official test sample, which CHRB drug classification is categorized as warranting a Category "D" penalty, may result in a written warning to the licensed trainer and owner.

CATEGORY "D" PENALTIES

1st offense (**within** 365-day period)	2nd offense (**within** 365-day period)	3rd offense (**within** 365-day period)
Minimum of an official written warning to a maximum fine of $250.	Minimum of a $250 fine to a maximum fine of $500.	Minimum of a $500 fine to a maximum fine of $750.

(f) If a licensee has received a penalty for a Class A, B or C medication violation, and within a 365-day period has a subsequent lesser violation (e.g. an A violation followed by a B violation), the earlier violation shall count as a "prior violation" for the purposes of determining the penalty for the subsequent lesser violation.
(g) If a licensee has received a penalty for a Class B, C or D medication violation, and within a 365-day period has a subsequent greater violation (e.g. a D violation followed by a C violation), the earlier violation shall count as an aggravating factor for the purposes of determining the penalty for the subsequent greater violation.
(h) Any drug or its metabolite or analogue thereof found to be present in an official test sample that is not classified in Rule 1843.2 of this division shall be classified as a Class 1 substance and a Category "A" penalty until classified by the Board.
(i) The administration of a drug substance to a race horse must be documented by the treating veterinarian through the process described in Rule 1842 of this division.
(j) Any veterinarian or other licensee found to be responsible for the administration of Extracorporeal Shock Wave Therapy (ESWT) in a manner that violates CHRB Rule 1866.2, or for the administration of any drug substance resulting in a positive test, may be subject to the same penalties set forth for the licensed trainer and their presence may be required at any and all hearings relative to the case.

(1) Any veterinarian found to be involved in the administration of any drug substance resulting in a positive test in Penalty Category "A" shall be referred to the California Veterinary Medical Board (CVMB) for consideration of further disciplinary action.
(2) Any veterinarian found to be involved in the administration of any drug substance resulting in a positive test in Penalty Category "B" or "C" may be referred to the CVMB for consideration of further disciplinary action upon the recommendation of the Equine Medical Director, the board of stewards or hearing officers.

(k) A licensee who is suspended because of a medication violation is not able to benefit financially during the period of suspension. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members or, for any licensee whose suspension is for more than 30 days, to any other licensee who has been an employee of the suspended licensee within the previous year.
(1) A licensee whose license is revoked because of a medication violation is not able to benefit financially following the revocation of his or her license. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members or to any other licensee who has been an employee of the licensee whose license is revoked within the previous year.
(l) "Licensed family members" means any person who holds an occupational license issued by the CHRB and who is related to the suspended licensee, or the licensee whose license is revoked, by blood, or by marriage or domestic partnership, or who is related by blood to the spouse or domestic partner of such licensee.

(1) Licensed trainers suspended 60 days or more shall be banned from all inclosures under the jurisdiction of the CHRB. In addition, during the period of suspension, such trainer shall forfeit all assigned stall space and shall remove from the inclosures all signage, colors, advertisements, training-related equipment, tack, office equipment, and any other property.
(2) A trainer whose license is revoked shall be banned from all inclosures under the jurisdiction of the

CHRB. In addition, such trainer shall forfeit all assigned stall space and shall remove from the inclosures all signage, colors, advertisements, training-related equipment, tack, office equipment, and any other property.

NOTE:
Authority cited: Sections 19440, 19461 and 19580, Business and Professions Code.
Reference: Sections 19461, 19580, 19581 and 19582, Business and Professions Code; and Section 11425.50, Government Code.

HISTORY:
1. New rule filed 5-23-08; effective 5-23-08.
2. Amendment filed 2-14-12; effective 3-15-12.
3. Amendment filed 6-6-12; effective 7-6-12.
4. Amendment filed 10-17-16; effective 1-1-17.
5. Amendment filed 11-20-18; effective 1-1-19.
6. Amendment filed 6-4-20; effective 6-4-20.
7. Amendment filed 12-30-2020; effective 4-1-2021.
8. Amendment filed 1-14-2021; effective 4-1-2021.

1843.4. Multiple Medication Violations (MMV).

(a) A trainer who receives a penalty for a medication violation based upon a horse testing positive for a Class 1-5 medication with Penalty Class A-D, pursuant to Business and Professions Code section 19581 and Rule 1843.3, shall be assigned points as follows:

Penalty Class	Points If Controlled Therapeutic Substance	Points If Non-Controlled Substance
Class A	N/A	6
Class B	2	4
Class C	½ for first violation with an additional ½ point for each additional violation within 365 days	1 for first violation with an additional ½ point for each additional violation within 365 days
Class D	0	0

If the Board determines that the violation is due to environmental contamination, they may assign lesser or no points against the trainer based upon the specific facts of the case.

(1) Points for phenylbutazone violations with a concurrent flunixin violation apply only when the primary threshold is exceeded. Points are not to be separately assigned for a stacking violation.

(b) The points assigned to a medication violation by the Board shall be included in the Association of Racing Commissioners International (ARCI) official database and the Board shall assign points consistent with this section for advisory purposes for medication violations where points have not been assigned by regulatory action. Points assigned by such regulatory action shall reflect, in the case of multiple positive tests as described in subsection (d), whether they shall thereafter constitute a single violation. The Board's ruling shall be posted on the official website and within the official database of the ARCI. If an appeal is pending, that fact shall be noted in such Ruling. No points shall be applied until a final adjudication of the enforcement of any such violation.

(c) A trainer's cumulative points for violations in all racing jurisdictions shall be maintained by the Board and ARCI. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer's official Board and ARCI record and shall be considered by the Board in its determination to subject the trainer to the mandatory enhanced penalties by the Board as provided in this regulation.

(d) Multiple positive tests for the same medication incurred by a trainer prior to delivery of official notice by the Board may be treated as a single violation. In the case of a positive test indicating multiple substances found in a single post-race sample, the Board may treat each substance found as an individual violation for which points will be assigned.

(e) The official Board and ARCI record shall be used to advise the Board of a trainer's past record of violations and cumulative points. Nothing in this administrative regulation shall be construed to confer upon a licensed trainer the right to appeal a violation for which all remedies have been exhausted or for which the appeal time has expired as provided by applicable law.

(f) The Board shall consider all points for violations in all racing jurisdictions as contained in the trainer's official Board and ARCI record when determining whether the mandatory enhancements provided in this regulation shall be imposed.

(g) In addition to the penalty for the underlying offense, the following enhancements shall be imposed upon a licensed trainer based upon the cumulative points contained in their official Board and ARCI record:

Points	Suspension in days
5-5.5	15 to 30
6-8.5	30 to 60
9-10.5	90 to 180
11 or more	360

MMV penalties are not a substitute for the current penalty system and are intended to be an additional uniform penalty when the licensee:

(1) Has more than one violation for the relevant time period, and

(2) Exceeds the permissible number of points.

The Board shall consider aggravating and mitigating circumstances, including the trainer's prior record for medication violations, when determining the appropriate penalty for the underlying offense within the applicable suspension day range. The MMV is intended to be a separate and additional penalty for a pattern of violations.

(h) The suspension periods as provided in subsection (g), shall run consecutive to any suspension imposed for the underlying offense.

(i) The Board shall distinguish between the penalty for the underlying offense and any enhancement based upon a Board review of a trainer's cumulative points and regulatory record, which may be considered an aggravating factor in a case.

(j) Points shall expire as follows:

Penalty Classification	Time to Expire
A	3 years
B	2 years
C	1 year

In the case of a medication violation that results in a suspension, any points assessed expire on the

anniversary date of the date the suspension is completed.

NOTE:
Authority: Sections 19440, 19461 and 19580, Business and Professions Code.
Reference: Sections 19461, 19580, 19581 and 19582, Business and Professions Code; and Section 11425.50, Government Code.

HISTORY:
1. New rule filed 1-14-2021; effective 4-1-2021.

1843.5. Medication, Drugs and Other Substances Permitted After Entry in a Race.
(a) In this article a horse is deemed "entered" in a race 48 hours before post time of the running of the race.

(b) Water, hay, and grain may be provided to the horse up until post time.
(c) Drugs, medications or any other substances shall not be administered by any means to a horse after it is deemed enter to race except:
(1) Topical medications, (such as antiseptics, ointments, salves, leg rubs, leg paints, hoof dressings, liniments and antiphlogistics) which do not contain anesthetics or other prohibited drugs.
(d) Any drug, medication or any other substance found in a test sample taken from a horse which is not authorized under this rule shall be deemed a prohibited drug substance.
(e) Any of the following substances may be administered by injection until 24 hours before the post time of the race in which the horse is entered:
(1) Injectable Vitamins;
(2) Tetanus Antitoxin or Tetanus Toxoid, if the horse has sustained a wound.
(f) Approved anti-ulcer medications may be administered until 24 hours before the post time of the race in which the horse is entered. A list of approved anti-ulcer medications, and route of administration, shall be posted at each racetrack in the office of the official veterinarian.
(g) In addition to the substances named in subsection (c)(1), any of the following substances may be administered under Rule 1845 of this division within 24 hours of the post time of the race in which the horse is entered:
(1) Furosemide;
(2) Only water may be used to wash the horse's mouth on race day.
(h) Drugs, medications or any other substances may not be administered to a horse by injection, via nasogastric tube (stomach tubing) or any other means after the horse is entered to race, except under these regulations.

NOTE:
Authority cited: Sections 19580, 19581 and 19582, Business and Professions Code.
Reference: Sections 19580, 19581 and 19582, Business and Professions Code; Section 337 f, g and h, Penal Code.

HISTORY:
1. New rule filed 8-27-92; effective 9-26-92.
2. Amendment filed 10-6-98; effective 11-5-98.
3. Amendment filed 4-28-99; effective 5-28-99.
4. Amendment filed 2-26-2020 as an emergency; effective through 8-25-2020.
5. Amendment filed 6-4-2020; effective 6-4-2020.

1843.6. Total Carbon Dioxide Testing.
(a) At the direction of the Equine Medical Director, the stewards or the official veterinarian, a veterinarian

licensed by the Board or a registered veterinary technician licensed by the Board may collect blood sample(s) from a horse for the purpose of testing for total carbon dioxide (TCO2) concentrations. Such blood sample(s) shall be collected under the provision of Rule 1859 of this article, and may be collected pre-race or post-race.

(1) The owner or trainer of a horse selected for testing may request that a duplicate sample be taken. Such request shall be made prior to the collection of the official sample. The costs related to obtaining, handling, shipping and analyzing the duplicate sample shall be the responsibility of the owner or trainer who requested such sample.

(2) If the Board in its discretion determines the duplicate sample cannot be analyzed within five days after the sample is collected, the findings of the official sample shall be final.

(b) Any horse on a facility under the jurisdiction of the Board may be selected by the Equine Medical Director, the stewards or the official veterinarian for TCO2 testing.

(c) Any owner, trainer, or other person responsible for a horse, who refuses or fails to permit the taking of test sample(s) from such horse shall be deemed in violation of Rule 1930 of this division and shall have the horse declared ineligible to race by the stewards.

(d) TCO2 levels in the blood serum or plasma shall not exceed:

(1) 37.0 millimoles per liter of serum or plasma.

(2) TCO2 levels in excess of 37.0 millimoles shall be considered a Class three-medication violation for administrative purposes.

(e) The provisions of Rule 1859.25 of this article shall not apply to blood sample(s) collected for TCO2 testing.

NOTE:
Authority cited: Sections 19420, 19440, 19580 and 19582.5, Business and Professions Code.
Reference: Sections 19581 and 19582, Business and Professions Code.
HISTORY:

1. New rule filed as an emergency 9-13-05; effective through 1-21-06.
2. Permanent regulation filed 1-20-06; effective 1-20-06. 3.
3. Permanent regulation filed 1-27-10; effective 2-26-10.

1844. Authorized Medication.

Consistent with the intent of these rules, drug substances and medications authorized by the Board for use may be administered to safeguard the health of the horse entered to race provided that:

(a) No person shall administer a drug substance to any horse entered to race except upon authorization of the official veterinarian in conformance with these rules.

(b) No drug substance, other than authorized bleeder medication, shall be administered to a horse entered to race within 24 hours of the race in which entered.

(c) Official urine test samples may contain one of the following drug substances, their metabolites and analogs, in an amount that does not exceed the specified levels:

(1) Acepromazine; 10 nanograms per milliliter

(2) Mepivacaine; 10 nanograms per milliliter

(3) Albuterol; 1 nanograms per milliliter

(4) Procaine; 25 nanograms per milliliter

(5) Salicylates; 750 micrograms per milliliter

(6) Detomidine; 2 nanograms per milliliter

(7) Nandrolone; 1 nanograms per milliliter for geldings, fillies and mares; 45 nanograms for males other than geldings.

(8) Boldenone; 15 nanograms per milliliter in males other than geldings.

(9) Testosterone; 20 nanograms per milliliter in geldings.

(A) Testosterone at any level in males other than geldings is not a violation of this regulation.

(10) Testosterone; 55 nanograms per milliliter in fillies or mares (unless in foal)
(11) Butorphanol 300 nanograms per milliliter

(d) Official blood test samples may contain the following drug substances, their metabolites and analogs, in an amount that does not exceed the specified levels in serum or plasma:
(1) Dantrolene; 100 picograms per milliliter
(2) Detomidine; 1 nanogram per milliliter
(3) Dimethylsulfoxide (DMSO); 10 micrograms per milliliter
(4) Lidocaine; 20 picograms per milliliter
(5) Methocarbamol; 1 nanogram per milliliter
(6) Glycopyrrolate; 3 picograms per milliliter
(7) Xylazine; 200 picograms per milliliter
(8) Butorphanol; 2 nanograms per milliliter
(9) Cetirizine; 6 nanograms per milliliter
(10) Cimetidine; 400 nanograms per milliliter
(11) Guaifenesin; 12 nanograms per milliliter
(12) Omeprazole; 10 nanograms per milliliter
(13) Ranitidine; 40 nanograms per milliliter

(e) Official blood test samples shall not contain any of the drug substances, or their metabolites or analogs listed in subsection (c)(1) to (5) and (c)(7) to (10).

(f) Procaine, following administration of procaine penicillin, is an authorized medication provided:
(1) Official blood test samples shall not contain any procaine, or its metabolites or analogs in excess of 25 nanograms per milliliter.
(2) all procaine penicillin administrations have been reported pursuant to Rule 1842 of this division,
(3) procaine penicillin was not administered after entry to race,
(4) the horse was under surveillance for a minimum of six hours prior to racing.

(g) All expenses related to surveillance and testing for procaine under subsection (h) of this regulation shall be paid by the owner of the horse.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19580 and 19581, Business and Professions Code.

HISTORY:
1. Repealed and new rule filed 10-29-81; effective 11-28-81.
2. Amendment filed 2-9-84; effective 2-9-84.
3. Amendment filed 8-3-95; effective 9-2-95.
4. Amendment filed 6-16-97; effective 6-16-97.
5. Amendment filed 4-28-99; effective 5-28-99.
6. Amendment filed 1-28-02; effective 1-28-02.
7. Amendment filed 4-27-05; effective 5-27-05.
8. Amendment filed 9-20-07; effective 10-20-07.
9. Amendment filed 5-1-08; effective 5-31-08.
10. Amendment filed 10-26-10; effective 11-25-10.
11. Amendment filed 2-14-12; effective 2-14-12.
12. Amendment filed 9-15-14; effective 9-15-14
13. Amendment filed 7-31-15 as an emergency; effective through 1-28-16.
14. Amendment filed 8-31-15; effective 10-1-15.
15. Amendment filed 7-19-16; effective 7-19-16.
16. Amendment filed 11-16-17; effective 1-1-18.
17. Amendment filed 10-10-19; effective 1-1-20.
18. Amendment filed 2-26-2020 as an emergency; effective through 8-25-2020.

19. Amendment filed 6-4-2020; effective 6-4-2020.

1844.1. Suspension of Authorized Medication.

(a) After a public meeting that has been noticed in accordance with Government Code section 11125(a), the Board may for any cause temporarily suspend the authorized administration to a horse entered to race of any drug, substance or medication that is otherwise permitted under Rule 1844, Authorized Medication.

(b) The temporary suspension of the authorized administration of a drug, substance or medication may be for a race, breed, or race meeting, provided all horses in the same race compete under the same conditions.

(c) The Board shall notify in writing the racing association and the trainer's organization of any temporary suspension of authorization to administer a drug, substance or medication to a horse entered to race. The written notification shall at minimum:

(1) State the authorized medication whose use is temporarily suspended,

(2) The period of time for which the use of the authorized medication is temporarily suspended, and

(3) Whether the temporary suspension is for a specific breed or a race meeting.

(d) A suspension of authorization to administer a drug, substance or medication to a horse entered to race shall not exceed 12 months.

NOTE:
Authority: Sections 19440, 19562, 19580 and 19581, Business and Professions Code.
Reference: Sections 19440, 19580 and 19581, Business and Professions Code.

HISTORY:
1. New rule filed 7-21-11; effective 7-21-11.

1845. Authorized Bleeder Medication.

(a) The only authorized bleeder medication for the control of exercise-induced pulmonary hemorrhage (EIPH) shall be furosemide, and it shall only be administered by a single intravenous injection, in a dosage of not less than 150 mg and not more than 250 mg, on the grounds of the racetrack where the horse will race, and no later than four hours prior to the post time of the race for which the horse is entered. It shall only be administered to a horse that is registered on the authorized bleeder medication list.

(1) Furosemide is prohibited for two-year-olds entered to race as specified in Board Rule 1843.5(a).

(b) A horse is registered on the authorized bleeder medication list as follows:

(1) The trainer and the owner's veterinarian shall determine whether furosemide is medically necessary to control EIPH and is not otherwise contraindicated for that horse; and

(2) Prior to entry for race, the official veterinarian approves form CHRB-194 (Rev. 01/16), Authorized Bleeder Medication and Medical History Request, which is hereby incorporated by reference, submitted to the official veterinarian by the trainer and owner's veterinarian.

(c) Once registered, any horse that will be administered furosemide shall:

(1) Arrive on the grounds of the racetrack where the horse will race no later than five hours prior to the post time of the race for which the horse is entered; and

(2) Be assigned to a pre-race security stall prior to the scheduled post time for the race in which it is entered, and shall remain there until it is taken to the receiving barn or the paddock to be saddled or harnessed for the race.

(A) The pre-race security stall shall be identified by the posting of a form CHRB-234 (New 09/15), Detention Stall Sign, which is hereby incorporated by reference. The trainer shall post the Detention Stall Sign no later than eight hours prior to the post time of the race for which the horse is entered or, for a horse arriving from off the grounds of the racetrack, when the horse is placed in the pre-race security stall.

(B) While in the pre-race security stall, the horse shall be in the care, custody, control, and

constant view of the trainer, or a licensed employee assigned by the trainer. The trainer shall be responsible for the condition, care and handling of the horse while it remains in the pre-race security stall.

(C) The official veterinarian may permit a horse to leave the pre-race security stall to engage in track warm-up heats prior to a race.

(d) Furosemide shall be administered only after:

(1) The trainer, owner, or the owner's veterinarian has consulted with the furosemide veterinarian regarding the condition of the horse and the furosemide veterinarian has examined the horse sufficient to establish a veterinary-client-patient relationship within the meaning of California Code of Regulations, title 16, section 2032.1; or

(2) The trainer, owner, or owner's veterinarian has consulted with the official veterinarian or racing veterinarian and the furosemide veterinarian has examined the horse sufficient to establish a veterinary-client-patient relationship within the meaning of California Code of Regulations, title 16, section 2032.1, and that the consulting official veterinarian or racing veterinarian directly supervises the furosemide veterinarian, or California registered veterinary technician, who administers furosemide.

(e) The person who administers furosemide pursuant to subsection (f)(1) of this regulation shall notify the official veterinarian of the treatment of the horse. Such notification shall be made on form CHRB-36 (New 08/04), Bleeder Treatment Report, which is hereby incorporated by reference, not later than two hours prior to post time of the race for which the horse is entered.

(1) The trainer or a licensed employee of the trainer shall be present and observe the furosemide administration.

(f) The horsemen's organization, trainers' organization, and racing association shall enter into an agreement to provide for race-day furosemide administration. The agreement to provide for race-day furosemide administration shall be submitted to the Board in accordance with Rule 1433 of this Division. The agreement shall describe the racing association's program for the administration of race-day furosemide, the minimum level of staffing necessary to carry out the program, and the projected costs to horsemen for such administration.

(1) Furosemide shall be administered by a furosemide veterinarian or California-registered veterinary technician under the direct supervision of the furosemide veterinarian. The furosemide veterinarian or California registered veterinary technician who provides race-day furosemide administration shall be employed by the racing association and shall not have a current business relationship, or prior veterinarian-client-patient relationship, with participating licensees within 30 days of the date he or she is employed to administer furosemide.

(2) All parties present during the administration of furosemide shall certify in writing that they have witnessed the furosemide administration by signing the form CHRB-36 (New 08/04), Bleeder Treatment Report.

(3) “Furosemide veterinarian” is defined as the veterinarian, licensed by the Board, and hired by the racing association to administer race-day furosemide to horses registered on the authorized bleeder medication list.

(4) “Owner's veterinarian” is defined as the veterinarian, licensed by the Board, and hired by the owner to provide veterinary care to horses.

(g) A horse registered to be administered furosemide shall receive 250 mg of furosemide intravenously unless an alternative dose of not less than 150 mg and not more than 250 mg has been determined after consultation between the trainer, owner, or owner's veterinarian, and the furosemide veterinarian pursuant to subsection (d).

(h) In the event of an adverse reaction or other emergency related to the administration of furosemide, the furosemide veterinarian, or California registered veterinary technician, who administered furosemide shall attend the horse until the arrival of the owner's veterinarian.

(i) A horse that has been administered furosemide must show a detectable concentration of the drug in post-race serum, plasma, or urine samples, as follows:

(1) The official laboratory shall measure the specific gravity of post-race urine samples to ensure samples are sufficiently concentrated for proper chemical analysis. The specific gravity of such samples shall not be below 1.010.
(2) If the specific gravity of the post-race urine sample is determined to be below 1.010, or if the urine sample is not available for testing, quantitation of furosemide in serum or plasma shall then be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

(j) A horse registered on the official authorized bleeder medication list must remain on the list unless the trainer or owner's veterinarian requests the horse be removed. The request must be made using form CHRB-194 (Rev. 01/16), and must be submitted to the official veterinarian prior to the time of entry.

(k) If the official veterinarian observes a horse bleeding externally from one or both nostrils during or after a race or workout, and determines such bleeding is a direct result of EIPH, the horse shall be ineligible to race for the following periods:

- First incident - 14 days;
- Second incident within 365-day period - 30 days;
- Third incident within 365-day period - 180 days;
- Fourth incident within 365-day period - barred from racing lifetime.

For the purposes of counting the number of days a horse is ineligible to run, the day after the horse bled externally is the first day of such period.

(l) The owner(s) of a registered horse shall:

(1) Pay all costs associated with the materials used in the administration of furosemide, including the syringe and medication, and reasonable administrative costs as set under the race-day furosemide agreement entered into by the horsemen's organization, trainers' organization, and the racing association.
(2) Consent to the procedures in this section and agree that the pre-race examination conducted under the direction of the official veterinarian or racing veterinarian shall constitute a veterinary-client-patient relationship within the meaning of California Code of Regulations, title 16, section 2032.1.

(m) A horse registered on the authorized bleeder medication list shall not be administered furosemide when entered into a race where furosemide is prohibited under race conditions approved by the Board.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19580, 19581 and 19582, Business and Professions Code.

HISTORY:
1. Amendment filed 7-11-75; effective 8-10-75.
2. Repealer and new rule filed 10-29-81; effective 11-28-81.
3. Amendment filed 2-9-84; effective 2-9-84.
4. Amendment of subsections (e) and (f) filed 8-13-91; effective 9-12-91.
5. Amendment filed 4-27-05; effective 5-27-05.
6. Amendment filed 6-1-17; effective 12-26-17.
7. Amendment filed 8-31-20; effective 10-1-20.
8. Amendment filed 5-20-21; effective 7-1-21.
9. Amendment filed 9-20-21; effective 9-20-21.

1846. Racing Soundness Examination.

Each and every horse entered to race shall be subjected to a veterinary examination for racing soundness and health on race day not later than two hours prior to official post time for the race in which the horse is to compete. Such an examination shall be referred to as the “Racing Soundness Exam.”

(a) The examination of each horse shall include, at a minimum, the following:

(1) Identification of the horse.
(2) Ascertainment of the sex of the horse.
(3) Performance of an overall inspection of the entire horse, assessing general appearance, behavior, disposition, posture, and body condition.
(4) Observation of the horse jogging in hand, moving towards and away from the veterinarian so that both hind-end and front-end motion can be evaluated.
(5) Performance of a digital palpation and flexion on both distal forelimbs.
(b) The trainer of each horse or a representative of the trainer who is knowledgeable about the horse and able to communicate with the regulatory veterinarian must present the horse for examination. Horses presented for examination must have bandages removed, and the legs must be clean and dry. Prior to examination, horses may not be placed in ice and no device or substance shall be applied to the horse that impedes veterinary clinical assessment.
(c) All such examinations shall be conducted by a regulatory veterinarian who shall have the authority to determine the location of the examination.
(d) All such examinations shall be documented in the InCompass Solutions Inc. Track Manager System.
(e) The Official Veterinarian shall keep or cause to be kept a continuing health and racing soundness record of each horse so examined.
NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 337f, 337g, and 337h, Penal Code. Sections 19401 and 19440, Business and Professions Code.

HISTORY:
1. Repealer and new rule filed 10-29-81; effective 11-28-81.
2. Amendment filed 5-11-23; effective 7-1-23.

1846.1. Veterinary Records for Horses Shipping into an Inclosure to Race or to Work for Removal from Veterinarian's List.
(a) If a horse has not been stabled at a facility under the jurisdiction of the Board for 30 days prior to a race, or for 30 days prior to working off the Veterinarian's List, the trainer shall submit to the official veterinarian, using a form prescribed by the Board, the previous 30-day veterinary treatment record within 24 hours of arriving at a licensed inclosure and before any scheduled race or workout. The veterinary treatment record shall include:
(1) the name and identification number of the horse treated,
(2) any medication, drug, substance, diagnostics, or procedure administered or prescribed by a veterinarian during the previous 30 days,
(3) the name of the prescribing or treating veterinarian,
(4) the dates of examinations by the treating veterinarian, and
(5) the type of housing (stall, pen, pasture).
(b) Any such veterinary treatment record is confidential, and its content shall not be disclosed except in a proceeding before the stewards or the Board, or in exercise of the Board's jurisdiction.
(c) Failure by the trainer to provide accurate and complete veterinary treatment records shall result in disciplinary action.
(d) The official veterinarian shall keep or cause to be kept all veterinary treatment records submitted for each horse.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 06-25-2020; effective 10-01-2020.
2. Amendment filed 5-11-2023; effective 7-1-2023.

1846.2. Training Soundness Examination.

(a) Each and every horse that has not had a recorded work or race within the past 90 days shall be subjected to a veterinary examination for training soundness and health prior to beginning training. Such an examination shall be performed by both a regulatory veterinarian and the attending veterinarian and be referred to as the "Training Soundness Exam."

(b) The trainer shall be responsible for scheduling a follow-up exam conducted by a regulatory veterinarian and the attending veterinarian 30 days after the initial exam. The follow-up exam must occur no later than 45 days after the initial exam, or all training must cease until after the examination is performed.

(c) The examinations referenced in subsections (a) and (b) of this rule shall include, at a minimum, the following:

(1) Identification of the horse.

(2) Ascertainment of the sex of the horse.

(3) Performance of an overall inspection of the entire horse, assessing general appearance, behavior, disposition, posture, and body condition.

(4) Observation of the horse jogging in hand, moving towards and away from the veterinarian so that both hind-end and front-end motion can be evaluated.

(5) Performance of a digital palpation and flexion on both distal forelimbs.

(d) The trainer of each horse or a representative of the trainer who is knowledgeable about the horse and able to communicate with the regulatory veterinarian must present the horse for examination. Horses presented for examination must have bandages removed, and the legs must be clean and dry. Prior to examination, horses may not be placed in ice, and no device or substance shall be applied to the horse that impedes veterinary clinical assessment.

(e) The regulatory veterinarian conducting all examinations pursuant to this rule shall have the authority to determine the location of the examinations.

(f) The regulatory veterinarian may order diagnostic tests before the horse is permitted to begin or resume training.

(g) The examinations conducted by the attending veterinarian shall be recorded in the veterinarian report, in accordance with Rule 1842.

(h) The examinations conducted by the regulatory veterinarian shall be documented in the InCompass Solutions Inc. Track Manager System.

(i) The official veterinarian shall keep or cause to be kept a continuing health and training soundness record of each horse so examined by a regulatory veterinarian.

(j) All two-year-old horses that have never raced and never had a recorded work are exempt from all training soundness examinations required by a regulatory veterinarian pursuant to this section. All training soundness examinations required by the attending veterinarian, pursuant to this section, shall be required.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 5-12-2023; effective 7-1-2023.

1846.3. Veterinary and Training Records for Horses Requiring Training Soundness Examination.

(a) For horses required to undergo a training soundness examination pursuant to Rule 1846.2, the trainer shall, at least 24 hours prior to the examination, submit to a regulatory veterinarian, using a form prescribed by the Board, the veterinary treatment and training records for the previous 60 days.
(b) The veterinary treatment record shall include:
(1) the name and identification number of the horse treated,
(2) any medication, drug, substance, diagnostics, or procedure administered or prescribed by a veterinarian during the previous 60 days,
(3) the name of the prescribing or treating veterinarian,
(4) the dates of examinations by the treating veterinarian,
(5) the type of housing (stall, pen, pasture), and
(6) for layoffs, the reason the horse was turned out or rested and the location of lay-up.
(c) The training record shall include:
(1) the name and identification number of the horse trained,
(2) the daily exercise, specifying the type of surface, including but not limited to handwalking, exercise under tack, and water treadmill during the previous 60 days.
(d) Any such veterinary treatment record is confidential, and its content shall not be disclosed except in a proceeding before the stewards or the Board or in exercise of the Board's jurisdiction.
(e) Failure by the trainer to provide accurate and complete veterinary treatment records and training records shall result in disciplinary action.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. New rule filed 5-12-2023; effective 7-1-2023.

1846.5. Postmortem Examination.
(a) The following shall be required to undergo a postmortem examination at a diagnostic laboratory which is under contract with the Board in order to determine the injury or sickness which resulted in euthanasia or natural death:
(1) Every horse which suffers a fatal injury on the racetrack in training or in competition;
(2) Every horse which dies or is euthanized within an area under the jurisdiction of the Board; and
(3) Every horse which dies or is euthanized in California within 72 hours of leaving a facility under the jurisdiction of the Board.
(b) Test samples may be obtained from the carcass upon which the postmortem examination is to be conducted and sent to the diagnostic laboratory for testing for foreign substances or their metabolites, and natural substances at abnormal levels. When practical, test samples shall be procured prior to euthanasia.
(c) The costs associated with transportation to the diagnostic laboratory of any horse which has died under the provisions of subparagraph (a) shall be the responsibility of the racetrack conducting the meeting where the death occurred or the training center or racetrack where death occurred when no meeting is in progress. In the case of a horse which dies or is euthanized in California within 72 hours of leaving a facility under the jurisdiction of the Board, the costs associated with transportation to the diagnostic laboratory shall be the responsibility of the racetrack or training center where the horse was last stabled immediately prior to the time of death. The services of the official veterinarian and the laboratory testing of postmortem samples for standard necropsy and special equine necropsy examinations shall be made available by the Board without charge to the owner. The cost of any additional necropsy examination(s) requested by the owner or trainer are the responsibility of the requesting individual.
(d) Requests for each postmortem shall be filed with the official veterinarian by the owner's or trainer's

veterinarian within one hour of the death and shall be submitted on a Necropsy Submission Form, CHRB-72, (Rev. 6/04), hereby incorporated by reference, and which is available at all official veterinarian offices. The trainer is co-responsible to supply all information to complete CHRB-72. In the case of a horse which dies or is euthanized in California within 72 hours of leaving a facility under the jurisdiction of the Board, a request for postmortem shall be filed with the official veterinarian within one hour of the death and the request shall be submitted on CHRB-72 which is available at all official veterinarian offices. The trainer is responsible for the timely submission of CHRB-72 to the extent that the trainer exercised care and control at the time of death. The owner is co-responsible to supply all information to complete and file CHRB-72.
(e) If the official veterinarian is not available, the owner's or trainer's veterinarian must phone the diagnostic laboratory within one hour of the death and fax or email CHRB-72 to the laboratory as notification that the horse is due for necropsy. On the official veterinarian's next scheduled work day, the owner's or trainer's veterinarian shall give the original CHRB-72 to the official veterinarian. In the case of a horse which dies or is euthanized in California within 72 hours of leaving a facility under the jurisdiction of the Board, the owner or trainer must phone the diagnostic laboratory within one hour of death and fax or email CHRB-72 to the laboratory as notification that the horse is due for necropsy. The owner or trainer shall give the original CHRB-72 to the official veterinarian on the official veterinarian's next scheduled work day at the racetrack or training center that last stabled the horse immediately prior to the time of death.
(f) The racetrack or training center will notify the transporter within one hour of death to have the horse conveyed to the designated laboratory for necropsy.
(g) Upon completion of the postmortem examination the diagnostic laboratory shall file a written report with the Executive Director, the Equine Medical Director and the official veterinarian. Upon written request the Board shall release an unredacted copy of the report to the racetrack or training center where the horse was last stabled immediately prior to the time of death.
(h) Each owner and trainer accepts responsibility for the postmortem examination provided herein as a requisite for maintaining an occupational license.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19444(c), Business and Professions Code.

HISTORY:
1. New rule filed 10-29-81; effective 11-28-81.
2. Amendment filed 11-10-92; effective 12-10-92.
3. Amendment filed 6-7-94; effective 7-7-94.
4. Amendment filed 8-11-95; effective 9-10-95.
5. Amendment filed 7-6-98; effective 8-5-98.
6. Amendment filed 4-25-00; effective 4-25-00.
7. Amendment filed 11-29-04; effective 12-29-04.
8. Amendment filed 3-21-24; effective 7-1-24.

1846.6. Postmortem Examination Review.
(a) The Board shall conduct a postmortem examination review to determine the circumstances of each equine fatality within a California Horse Racing Board (CHRB) inclosure and each equine fatality in California within 72 hours of leaving a CHRB inclosure.
(b) The postmortem examination review shall be conducted by a member of the board of stewards, a safety steward and the Equine Medical Director or an official veterinarian designated by the Executive Director and Equine Medical Director.
(c) The trainer of the expired horse will be required to appear before the postmortem examination review panel. Additional licensees may also be required to appear at the discretion of the postmortem

examination review panel.
(d) The trainer shall make available at the postmortem examination review the training records for the expired horse, which shall include exercise, medication and shoeing histories for a minimum of 60 days prior to the date of death of the horse.
(e) All CHRB licensed veterinarians attending or treating a horse having died within a CHRB inclosure or in California within 72 hours of leaving a CHRB inclosure shall make available at the postmortem examination review a summary medical record covering a minimum of 60 days prior to the date of death of the horse, or longer if requested by the postmortem review panel. The summary medical record shall include:

(1) A history or pertinent information as it pertains to the horse's medical status, including an interpretation of all diagnostic imaging and laboratory findings.
(2) Data, including that obtained by instrumentation, from the physical examination.
(3) Treatment and intended treatment plan, including medications, dosage and frequency of use.
(4) All medications and treatments prescribed and dispensed, including strength, dosage, route of administration, quantity, and frequency of use.
(5) Daily progress and disposition of the case.
(6) Copies of laboratory data, if requested by the postmortem review panel.
(7) Copies of diagnostic images including but not limited to radiographs, ultrasounds and nuclear scintigraphies, if requested by the postmortem review panel.

(f) The equine medical records described in (e)(6) and (7) of this regulation are the property of the veterinary facility that originally ordered them to be prepared and require the authorization of the client before the records can be released.
(g) Upon completion of the postmortem examination review, the postmortem examination review panel shall file a written report with the Executive Director and the owner and trainer of the expired horse.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19435 and 19444, Business and Professions Code.

HISTORY:
1. New section filed 3-10-20; effective 7-1-20.
2. Amendment filed 3-21-24; effective 7-1-24.

1847. Blocking of Legs.
Blocking may be defined as the administration of any local anesthetic, or other agent, to desensitize a portion of a leg either locally by infiltration of the tissues, regionally by administration directly over a nerve, or by injection directly into a joint space, tendon sheath, or bursa for the purpose of desensitization of a painful condition. These practices are prohibited after a horse is entered to race. The use of ice is not prohibited.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Sections 19420, 19440 and 19562, Business and Professions Code;
Section 337h, Penal Code of California.

HISTORY:
1. Amendment filed 1-24-91; effective 2-23-91.

1848. Bandages.
Only bandages approved by the official veterinarian shall be used on a horse during a race and all other

leg coverings shall be removed before the horse leaves the saddling paddock to enter the race course.

NOTE:
Authority cited: Section 19562, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.

1849. Nerving.
No person shall bring onto the grounds of a racing association, or enter or cause to be entered in any race, or sell, offer for sale, or act as a bloodstock agent in the sale of, any horse which has been "nerved" or has had any nerve removed from the leg of such horse, except as provided in this article.

1850. Posterior Digital Neurectomy.
(a) Notwithstanding the prohibition against "nerving," a horse upon which a posterior digital neurectomy has been performed, commonly known as "heel nerving" is not ineligible to race, and is not subject to the prohibitions in this article pertaining to nerving, provided:
(1) the official veterinarian is satisfied that the loss of sensation to such horse due to the posterior digital neurectomy will not endanger the safety of any horse or rider,
(2) the prior approval of the official veterinarian has been obtained if the horse is on the grounds of a racing association,
(3) the racing secretary is notified of such nerving at the time such horse is admitted to the grounds of a racing association,
(4) the posterior digital neurectomy was performed prior to October 1, 2008, and
(5) the horse's registration or eligibility certificate is marked to indicate such nerving.

NOTE:
Authority cited: Sections 19420, 19440 and 19562, Business and Professions Code.
Reference: Section 19420, 19440 and 19562 Business and Professions Code.

HISTORY:
1. Amendment filed 9-2-08; effective 10-1-08.

1851. List of Nerved Horses.
The racing secretary shall maintain a list of nerved horses which are on the grounds and shall make such list available for inspection by other licensees participating in the meeting.

1852. Reporting to Receiving Barn.
A horse shall not be qualified to start in a race unless his presence at the receiving barn at the time designated by the stewards is reported to the official veterinarian, and no trainer shall fail to cause a horse in his care to report to the receiving barn at the designated time.

1853. Examination Required.
(a) The official veterinarian shall examine each horse that is scheduled to race to determine its fitness to start. The horse identifier shall examine each horse to identify such horse from the Board's identification record and the photographs, record of pedigree, tattoo or brand number, microchip number, and such other points of identification as may be available. The horseshoe inspector shall inspect the horseshoes of each horse. No horse shall be eligible to start in a race, and shall be declared by the stewards, if it is found to be unfit to race, not properly identified, or improperly shod.
(b) A thoroughbred horse that is not shod is eligible to start in a race if the trainer declares at the time of

entry that the horse will race unshod.

(1) At the time of entry a trainer shall declare if a thoroughbred horse that raced unshod in its previous start will race shod.
(2) Any declaration made under subsections (b) or (b)(1) above shall be noted in the official program, and shall state if the horse will race without horseshoes in the front or back or all around.
(3) For the purposes of this regulation "unshod" means running without horseshoes in the front or back or all around.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 8-04-09; effective 9-03-09.
2. Amendment filed 1-9-18; effective 12-26-18.

1854. Exclusion From Receiving and Detention Barn.

The official veterinarian shall exclude from the receiving and detention barn all horses not participating in a race or being schooled to race and all persons who are not required for attendance on such horses. No person shall enter the stall in the receiving barn of a horse scheduled to race except with permission of the custodian of the barn or the official veterinarian. No person shall inspect any horse in the receiving barn which is not owned, trained or cared for by him, nor refuse to leave when ordered to do so by the custodian or the official veterinarian.

1855. Medication Procedures and Related Instructions.

The Board may issue orders governing medication procedures and related instructions, which orders amplify the provision of this article.

1856. Clean and Sterile Equipment Required.

Veterinarians shall use new, single-use disposable hypodermic needles for parenteral administrations. All other instruments used for injections or skin penetration, must be cleaned and sterilized. The official veterinarian shall provide a secure place for the disposal of needles, syringes, injectable medications and their containers, and veterinarians on the grounds shall not dispose of such materials on the grounds other than in such secure place.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Section 19580, Business and Professions Code.

HISTORY:
1. Amendment of rule and heading filed 8-16-93; effective 9-15-93.

1857. Equipment for Official Testing.

Associations shall provide the equipment, necessary supplies and services prescribed by the Board or the official veterinarian for the taking of or administration of urine, saliva or other tests.

1858. Test Sample Required.

(a) Blood and urine test samples shall be taken daily from the winner of every race, from horses finishing second and third in any stakes race with a gross purse of $75,000 or more, and from not less than six other horses designated for testing by the Equine Medical Director, the stewards or the official

veterinarian.
(b) The Board may at any time on any date take official blood, urine or other biological samples, in accordance with Rules 1859 and 1859.1, from a horse to enhance the ability of the Board to enforce its medication and anti-doping rules.
(c) Every horse within the inclosure, every horse registered to race at an inclosure, every horse under the care or control of a licensed trainer, or owned by a licensed owner, or nominated, pre-entered or entered in any race that will be held within a licensed inclosure is subject to pre-race, post-race, and out-of-competition testing by the Board. No owner, trainer or other person having the care of a horse shall refuse to submit it for testing when directed by the Equine Medical Director, the Executive Director, the stewards or the official veterinarian.

(1) For the purposes of this regulation, a horse is “registered to race at an inclosure” when the horse's registration papers are on file with a racing association under the jurisdiction of the Board, and/or the horse has raced at a licensed inclosure within the previous twelve (12) months.
(2) A horse is “out of competition” when it is not entered in a race as defined in this Article. This regulation does not permit out of competition testing outside of a licensed inclosure on weanlings, yearlings, or any horse proven to be no longer engaged in horse racing unless such horse is entered in a horse sale authorized by the Board pursuant to Rule 1807. For purposes of this regulation, the following criteria may be used to prove that a horse is no longer engaged in horse racing:
    (A) it is registered as retired with one of the breed registry organizations identified in Rule 1402;
    (B) it is not a breed of horse that races in California;
    (C) it becomes breeding stock;
    (D) it has suffered an injury, or been subject to a procedure, that renders the horse permanently unfit to participate in a race as determined by the Official Veterinarian or Equine Medical Director; or
    (E) any other evidence is provided that proves the horse will no longer engage in racing in California as decided by the Equine Medical Director, the Executive Director, the stewards, or the official veterinarian.
(3) Persons who apply for and are granted a trainer or owner license shall be deemed to have given their consent, as a condition of licensure, for the Board and its representatives to access any location, whether inside or outside of a licensed inclosure, where a horse eligible for testing may be found for the purpose of collecting official out-of-competition test samples. Such consent, however, does not permit the Board or its representatives to search the premises when collecting a test sample from a horse not within a licensed inclosure. Licensees shall take any steps necessary to authorize access by Board representatives to any location where a horse eligible for testing is present, and no person shall knowingly interfere with or obstruct the collection of an official test sample.

NOTE:
Authority cited: Sections 19440, 19562, and 19580, Business and Professions Code.
Reference: Section 19580(b), Business and Professions Code; and Sections 337f, 337g and 337h, Penal Code.

HISTORY:
1. Amendment filed 4-21-83; effective 5-21-83.
2. Amendment filed 2-9-84; effective 2-9-84.
3. Amendment filed 8-23-90; effective 9-22-90.
4. Amendment filed 1-9-96; effective 2-8-96.
5. Amendment filed 2-6-02; effective 3-8-02.
6. Amendment filed 1-27-10; effective 2-26-10.
7. Amendment filed 1-13-15; effective 4-1-15.

8. Amendment filed 6-24-19; effective 6-24-19.

1859. Taking, Testing and Reporting of Samples.

(a) Urine, blood or other biological official test samples shall be taken under the direction of the official veterinarian, the Equine Medical Director or a person designated by the official veterinarian. All samples shall be taken in a detention area approved by the Board, unless it is an official out-of-competition test sample taken in accordance with Rule 1859.1, or the official veterinarian or the Equine Medical Director approves otherwise. The taking of any test sample shall be witnessed, confirmed or acknowledged by the owner or trainer of the horse being tested or his or her agent or employee, and may be witnessed by the owner, trainer or other person designated by them. All official test samples shall be sent to the official laboratory approved and designated by the Board, in such manner as the Board may direct. All required samples shall be in the custody of the official veterinarian, his or her assistants or other persons approved by the official veterinarian, from the time they are taken until they are delivered to the custody of the official laboratory.

(b) The Executive Director and the Equine Medical Director shall immediately be notified by the official laboratory of each finding that an official test sample contains a prohibited drug substance, as defined in this article. The official laboratory shall further provide all information and data on which the finding is based to the Equine Medical Director, and shall transmit its official report of the finding to the Executive Director within five working days after the initial notification is made.

(c) The Board has the authority to direct the official laboratory to retain and preserve by freezing samples for future analysis.

(d) The fact that purse money has been distributed prior to the issuance of a laboratory report shall not be deemed a finding that no drug substance prohibited by this article has been administered, in violation of these rules, to the horse earning such purse money.

NOTE:
Authority cited: Sections 19420, 19440, 19562 and 19577, Business and Professions Code.
Reference: Sections 19401, 19440 and 19577, Business and Professions Code.

HISTORY
1. Amendment filed 12-15-80; effective thirtieth day thereafter (Register 80, No. 51).
2. Amendment adding subsection designations and new subsections (b) and (c) filed 8-23-90; operative 9-22-90 (Register 90, No. 41).
3. Change without regulatory effect amending subsection (c) filed 6-7-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 23).
4. Amendment of section heading and subsections (a)-(c) and (e) filed 10-25-94; operative 11-6-94 pursuant to Government Code Section 11346.2(d) (Register 94, No. 43).
5. Amendment of subsection (a), repealer of subsection (b), subsection relettering and amendment of newly designated subsection (b) filed 1-27-2010; operative 2-26-2010 (Register 2010, No. 5).
6. Amendment of subsection (a) filed 6-24-2019; operative 6-24-2019 pursuant to Government Code section 11343.4(b)(3) (Register 2019, No. 26).

1859.1. Out-of-Competition Testing Procedures and Requirements.

(a) Official out-of-competition test samples shall be collected under the supervision and direction of the official veterinarian, the Equine Medical Director, or a person designated by the official veterinarian or Equine Medical Director. All blood samples shall be collected by a veterinarian licensed by the Board, or by a veterinary technician licensed by the Board who is acting under the supervision of the official veterinarian or Equine Medical Director.

(b) Upon request of the Equine Medical Director, the Executive Director, the stewards or the official veterinarian, the trainer, owner, or their specified designee shall disclose the location of their horses eligible for out-of-competition testing as described in Rule 1858.

(c) The Board need not provide advance notice to the trainer or owner before arriving at any location, whether or not the location is within a licensed inclosure, to collect official out-of-competition test samples. However, if the trainer, owner, or their specified designee requests that the sample be collected in an alternative location, the Board may, in its sole discretion, collect the sample at an alternative time and location designated by the Board.
(d) The trainer, owner, or their specified designee shall cooperate with the person who collects official out-of-competition test samples on behalf of the Board, which shall include without limitation:
(1) Assisting in the immediate location and identification of the horse;
(2) Making the horse available as soon as practical upon arrival of the person who is responsible for collecting the samples;
(3) Providing a stall or other safe location to collect the samples;
(4) Assisting the person who is collecting samples in controlling the horse; and
(5) Witnessing the taking of samples, including sealing of sample collection containers.
(e) The management and employees of a licensed racetrack or training facility where a horse is located shall cooperate fully with any person collecting official out-of-competition test samples on behalf of the Board. The person who collects samples for the Board may require that the collection be done at a specified location on such premises.
(f) The Board may arrange to have test samples collected from a horse that is physically located outside of California, but otherwise subject to out-of-competition testing pursuant to Rule 1858. Such test samples may be collected by the racing commission or racing authority that regulates the jurisdiction in which the horse is physically located, or by any other person that the Board designates. Such racing commission or other designated person shall follow the collection procedures described in this regulation in order for the sample to be designated an official out-of-competition test sample, except they are not required to comply with the CHRB license and identification requirements described in subsections (a) and (g).
(1) The test results of an official out-of-competition test sample collected outside of California may be made available, at the discretion of the Board, to each racing commission that participates in the process of collecting the sample.
(2) The Board, if requested and in its sole discretion, may permit the trainer, owner or their designee to transport their horse into California for out-of-competition testing at a time and place designated by the Board instead of having the horse tested outside of California.
(g) The person who collects official out-of-competition test samples for the Board shall, at the time of sample collection, provide their CHRB identification and disclose to the owner and/or trainer of the horse that the purpose of the sampling is for out-of-competition testing.
(h) If the trainer or any other person having care and custody of a horse selected for out-of-competition testing refuses or declines to make the horse available for test sample collection, the Board shall attempt to notify the owner and give them the opportunity to make the horse available for immediate testing.
(i) All available records demonstrating the chain of custody for an official out-of-competition test sample shall be made available to the trainer, owner, or their designee, at their request, when a complaint results from an out-of-competition test.
(j) Any licensee who willfully fails to make a horse available for out-of-competition testing, or commits other willfully deceptive acts in connection with out-of-competition testing, or causes interference or obstruction to the sampling process, shall receive a minimum penalty of a one-year license suspension.
(k) A horse that is not made available for out-of-competition testing when requested by the Board in accordance with this regulation shall be placed on the Steward's List for a minimum of 180 days. If the trainer, owner, or their designee refuses to submit their horse for out-of-competition testing based on their assertion that the horse is no longer engaged in horse racing activities, the horse shall be placed on the Steward's List for a minimum of 180 days.

NOTE:
Authority cited: Sections 19420, 19440, 19562 and 19580, Business and Professions Code.
Reference: Sections 19401, 19440, 19580 and 19583, Business and Professions Code.

HISTORY
1. New section filed 6-24-2019; operative 6-24-2019 pursuant to Government Code section 11343.4(b)(3) (Register 2019, No. 26).

1859.25. Split Sample Testing.

(a) In addition to the blood, urine, and other biological official test samples transmitted to the official laboratory for testing as provided in Rules 1859 and 1859.1 of this Article, the Board shall maintain a portion of the official test sample for each horse tested if sufficient sample is available after the official test samples are taken. That portion shall be designated the split sample. The Board makes no guarantee as to the amount of sample which will be available for the split sample. All samples taken by representatives of the Board are under the jurisdiction of and shall remain the property of the Board at all times. The Board shall ensure the security and storage of the split sample.

(b) When the Executive Director or the Executive Director's designee is notified of a finding by the official laboratory that a test sample from a horse contained a prohibited drug substance as defined in this Article, the Executive Director, after consulting with the Equine Medical Director or the Equine Medical Director's designee as to the presence of the prohibited drug substance shall notify a Supervising Investigator. The owner and the trainer shall be confidentially notified of the finding by a Supervising Investigator or his/her designee and the owner and trainer shall each have 72 hours from the date he or she is notified to request that the split sample of the official test sample that was found to contain the prohibited drug substance(s) be tested by an independent Board-approved laboratory.

(c) If the owner or trainer wishes to have the split sample tested, he or she shall comply with the following procedures:

(1) The request shall be made on CHRB-56, (Rev. 5/97), Request to Release Evidence, which is hereby incorporated by reference. CHRB-56 shall be made available at all CHRB offices.

(2) The owner or trainer requesting to have the split sample tested shall be responsible for all charges and costs incurred in transporting and testing the split sample. By signing CHRB-56, the owner or trainer certifies he or she has made arrangements for payment to the designated Board-approved laboratory for laboratory testing services.

(3) Verification of payment for costs incurred in transporting and testing the split sample must be received by the CHRB within five (5) working days from the CHRB receipt of CHRB-56. If such verification of payment is not received, the split sample will not be released or shipped to the Board-approved laboratory designated by the owner or trainer to test the split sample and the owner and trainer will have relinquished his/her right to have the split sample tested. If a complaint issues, the only test results that will be considered will be the results from the Board's official laboratory.

(d) Upon approval by the Executive Director or the Executive Director's designated representative of a valid request on CHRB-56, CHRB-29 (Rev. 5/97), Authorization to Release Split Sample Urine Evidence, or CHRB-29A (Rev. 5/97), Authorization to Release Split Sample Blood Evidence, which are hereby incorporated by reference, shall be completed and the Board shall ensure that the split sample is sent to the designated laboratory for testing.

(1) If the findings by the independent Board-approved laboratory fail to confirm the findings of the prohibited drug substance as reported by the official laboratory, it shall be presumed that the prohibited drug substance was not present in the official sample.

(2) If the findings by the independent Board-approved laboratory confirm the findings of the prohibited drug substance as reported by the official laboratory, the Executive Director shall report these findings to the Board within 24 hours after receiving confirmation of the prohibited drug substance in the split sample.

(e) If the owner or trainer fails to request the testing of the split sample in accordance with the procedures specified in this rule, they shall be deemed to have waived their rights to have the split sample tested.

(f) Results of the official test sample and the split sample shall be, and shall remain, confidential and shall

be provided only to the Executive Director or the Executive Director's designee, the Board, the Equine Medical Director or the Equine Medical Director's designee, and to the owner and trainer, unless or until the Board files an official complaint or accusation.

NOTE:
Authority cited: Sections 19420, 19440 and 19577, Business and Professions Code.
Reference: Sections 19420, 19440 and 19577, Business and Professions Code; Section 603, Evidence Code.

HISTORY
1. New section filed 4-15-91; operative 5-15-91 (Register 91, No. 19).
2. Change without regulatory effect amending subsections (c)(1) and (d) filed 5-1-92 pursuant to section 100, title 1, California Code of Regulations (Register 92, No. 19).
3. Change without regulatory effect amending subsections (b), (d) and (e) filed 6-7-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 23).
4. Amendment filed 10-11-94; operative 11-10-94 (Register 94, No. 41).
5. Change without regulatory effect amending subsection (d) filed 10-22-96 pursuant to section 100, title 1, California Code of Regulations (Register 96, No. 43).
6. Change without regulatory effect amending section filed 6-19-97 pursuant to section 100, title 1, California Code of Regulations (Register 97, No. 25).
7. Change without regulatory effect amending section filed 11-17-98 pursuant to section 100, title 1, California Code of Regulations (Register 98, No. 47).
8. Amendment of subsections (a) and (b) filed 6-24-2019; operative 6-24-2019 pursuant to Government Code section 11343.4(b)(3) (Register 2019, No. 26).

1859.5. Disqualification upon Positive Test Finding.
A finding by the stewards that an official test sample from a horse participating in any race contained a prohibited drug substance as defined in this article, which is determined to be in class levels 1-3 under Rule 1843.2 of this division, unless a split sample tested by the owner or trainer under Rule 1859.25 of this division fails to confirm the presence of the prohibited drug substance determined to be in class levels 1-3 shall require disqualification of the horse from the race in which it participated and forfeiture of any purse, award, prize or record for the race, and the horse shall be deemed unplaced in that race. Disqualification shall occur regardless of culpability for the condition of the horse.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19401, 19440, 19577 and 19582.5, Business and Professions Code; and Sections 337f, 337g and 337h, Penal Code.

HISTORY
1. New section filed 4-21-83; effective thirtieth day thereafter (Register 83, No. 17).
2. Editorial correction inserting history note in appropriate section (Register 92, No. 19).
3. Amendment of section heading, section and Note filed8-10-95; operative 9-9-95 (Register 95, No. 32).
4. Change without regulatory effect amending section filed 12-6-99 pursuant to section 100, title 1, California Code of Regulations (Register 99, No. 50).

1860. Adulteration of Sample.
No person shall tamper with, adulterate, add to, break the seal of, remove, or otherwise attempt to do so, any sample required to be taken by this article, except for the addition of preservatives or substances necessarily added by the official laboratory for presentation of the sample or in the process of analysis.

1861. Vendors.
No vendor permitted on the grounds of an association shall sell or deliver any horse feed, feed supplement, tonic, veterinary preparation, medication, veterinary equipment or supplies, or any substance containing any prohibited drug, unless he shall have filed with the official veterinarian a list of such items he intends to sell or deliver and has received the approval of the official veterinarian. Any vendor permitted regular access to the stable area shall obtain a license from the Board. The official veterinarian may restrict the sale of, prohibit the sale or delivery of, or place conditions on the sale or delivery of any item subject to approval.

1862. Dealers in Hay.
All dealers in hay or feed who are permitted access to the stable area are required to provide at the time of delivery of any hay or feed to a consignee in the stable area a bill specifying the weight and cost of such feed or hay. Any hay dealer who delivers hay or feed which does not weigh at least the amount specified on the bills provided therefore shall be denied access to all stable areas of associations in this State.

1863. Pre-Race Testing.
The Board may require any horse entered to race to submit to any blood or other pre-race test, and no horse is eligible to start in a race until the owner or trainer complies with any required testing procedure.

1864. Labelling of Medications.
No veterinarian or vendor shall dispense, sell or furnish any feed supplement, tonic, veterinary preparation, medication, or any substance containing a prohibited drug to any person within the inclosure unless there is a label specifying the name of the dispensing veterinarian, the name of the horse or the purpose for which the said preparation or medication is dispensed, and the name of the person to which dispensed, or is otherwise labelled as required by law. Any substance containing a prohibited drug shall be labelled, “Caution. Contains Prohibited Drug. Not to be used on race day.”

1865. Altering of Sex of Horse.
(a) Any alteration to the sex of a horse from the sex as recorded on the certificate of foal registration or the eligibility certificate or other official registration certificate of the horse shall be reported to the racing secretary and the official horse identifier if the horse is entered to race at any race meeting.
(b) If a racehorse is gelded or castrated on the premises of a licensed racing association, or other facility under the jurisdiction of the Board, the trainer shall report the alteration within 72 hours.
(c) If a racehorse is gelded or castrated off the premises of a licensed racing association, or other facility under the jurisdiction of the Board, and the horse has been previously entered to race at any race meeting in this State, the owner and/or trainer shall report the alteration at the time the horse is next entered to race.
(d) A report of gelding or castration will include the name of the veterinarian performing the alteration and the date of the alteration, and shall be recorded on the official registration certificate and the official horse identification record of the horse.
(e) A trainer who enters a horse, or who causes a horse to be entered on his behalf, is responsible for ensuring that the true sex of the entered horse is listed on its certificate of registration on file in the racing office.
(1) If the true sex of a horse is not correctly identified in the official program for the race in which the horse is entered, the trainer of the horse shall be subject to a minimum fine of $1,000.
(2) If the true sex of a horse is not reported to the racing office prior to the opening of wagering for the race in which the horse is entered, the stewards shall declare the horse from the race.
(3) Deviation from the minimum fine in subsection (e)(1) of this regulation is appropriate if the trainer can demonstrate mitigating circumstances. Mitigating circumstances may include, but are not

limited to:
(A) Errors made by other parties in recording information correctly provided by the trainer.

NOTE:
Authority cited: Sections 19420, 19440, 19460 and 19562, Business and Professions Code.
Reference: Sections 19420, 19562 and 19661, Business and Professions Code.

HISTORY
1. New section filed 7-11-75; effective thirtieth day thereafter (Register 75, No. 28).
2. Amendment of section and Note filed 3-11-2009; operative 4-10-2009 (Register 2009, No. 11).
3. Amendment filed 2-21-2018; operative 4-1-2018 (Register 2018, No. 8).

1866. Veterinarian's List.

(a) The official veterinarian shall maintain a Veterinarian's List of those horses determined to be unfit to compete in a race due to veterinary treatment, physical distress, injury, lameness, unsoundness or infirmity.
(1) When a horse is placed on the Veterinarian's List, the trainer of such horse shall be notified within 72 hours.
(b) A horse placed on the Veterinarian's List as:
(1) sick; or
(2) injured, may not workout for 72 hours after being placed on the list without the permission of the official veterinarian.
(c) A horse placed on the Veterinarian's List as:
(1) unsound; or
(2) lame, may not workout for seven days after being placed on the list without the permission of the official veterinarian.
(d) A horse placed on the Veterinarian's List as:
(1) receiving a veterinary treatment of an intra-articular injection of corticosteroid, may not workout for 10 days after being placed on the list.
(e) A horse placed on the Veterinarian's List as:
(1) receiving a veterinary treatment of Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy, may not workout for 30 days after being placed on the list.
(f) The official veterinarian shall require any horse placed on the Veterinarian's List to undergo a veterinary examination prior to resuming training at any facility under the jurisdiction of the Board.
(1) The official veterinarian may require any horse on the Veterinarian's List to undergo diagnostic procedures, including but not limited to diagnostic imaging, endoscopy, and biological sample analysis as part of their veterinary examination prior to being allowed to train or race at Board inclosures.
(2) The owner(s) of a registered horse shall:
(A) Pay all costs associated with the administration of diagnostic imaging.
(B) Consent to the procedures in this section and agree that the pre-race examination conducted under the direction of the official veterinarian or racing veterinarian shall constitute a veterinarian-client-patient relationship within the meaning of California Code of Regulations, title 16, section 2032.1.
(g) A horse placed on the Veterinarian's List shall be removed from the list only after having established or demonstrated to the satisfaction of the official veterinarian or the racing veterinarian that the horse is then raceably sound and in fit physical condition to exert its best effort in a race.
(1) A horse placed on the Veterinarian's List as lame or unsound for the first time within a 365-day period must stay on the Veterinarian's List for a minimum of 15 days before the horse is eligible to be removed from the list.

(2) A horse placed on the Veterinarian's List as lame or unsound for the second time in 365 days must stay on the Veterinarian's List for a minimum of 45 days before the horse is eligible to be removed from the list.
(3) A horse placed on the Veterinarian's List as lame or unsound for the third time in 365 days must stay on the Veterinarian's List for a minimum of 75 days before the horse is eligible to be removed from the list.
(4) A horse placed on the Veterinarian's List as lame or unsound for the fourth time in 365 days must stay on the Veterinarian's List for a minimum of 180 days before the horse is eligible to be removed from the list.

(h) A horse may be required to perform satisfactorily in a workout or standardbred qualifying race to demonstrate its physical fitness, and if so a blood and/or urine post-work test sample shall be taken from the horse and the provisions of this article shall apply to such official workout in the same manner as to a scheduled race.

(i) For the purpose of this regulation, “workout” means an exercise session near full speed, or close to full speed.

Note:
Authority cited: Sections 19440, 19562 and 19583.5, Business and Professions Code.
Reference: Sections 19440, 19562 and 19583.5, Business and Professions Code.

HISTORY
1. New section filed 2-9-84; effective upon filing pursuant to Government Code Section 11346.2(d) (Register 84, No. 6).
2. Amendment filed 12-16-85; effective thirtieth day thereafter (Register 85, No. 51).
3. Amendment filed 1-29-2010; operative 2-28-2010 (Register 2010, No. 5).
4. Editorial correction of History 3 (Register 2010, No. 6).
5. Amendment of subsection (b), new subsections (b)(1)-(5), subsection relettering and new subsections (d)(1)-(4) filed 3-4-2015; operative 7-1-2015 (Register 2015, No. 10).
6. Amendment of subsection (e) filed 8-6-2019; operative 10-1-2019 (Register 2019, No. 32).
7. Amendment of section and Note filed 5-27-2021; operative 7-1-2021 (Register 2021, No. 22).

1866.1. Presence of Clenbuterol in Horses.

(a) A horse prescribed clenbuterol will be placed on the Veterinarian's List for veterinary treatment until an official test sample shows that there is no clenbuterol in the blood or urine of the horse after a workout to demonstrate its physical fitness, pursuant to Rule 1866. Horses on the Veterinarian's List for clenbuterol administration will not be allowed to start in a race until the horse is removed from the Veterinarian's List.
(1) Clenbuterol shall only be prescribed to an individual horse for a specific diagnosis to last for a period of not more than 30 days for each prescription. The horse's name, the specific diagnosis, dosage and duration of treatment of clenbuterol administration must be reported by the prescribing veterinarian to the Official Veterinarian on form CHRB-24 (Rev. 01/18) (Veterinarian Report), which is hereby incorporated by reference.
(2) Clenbuterol prescribed to an individual horse for a specific diagnosis shall not last for more than 30 days for any prescription. Dispensed clenbuterol prescriptions must be labeled in compliance with Rule 1864, Labeling of Medication, and all other laws, including California Veterinary Medical Board regulations.
(3) Administration of clenbuterol to a horse must be reported by the trainer of the horse to the Official Veterinarian on form CHRB-60 (Rev. 7/15) (Trainer Medication Report), which is here by incorporated by reference.

(b) A horse that, pursuant to Rules 1858 or 1859, is reported to have clenbuterol detected in blood, urine, or any other official test sample by the CHRB official laboratory will be placed on the Veterinarian's List

until an investigation has been conducted to determine the circumstances of the presence of clenbuterol in the official test sample, and until a subsequent official test sample fails to detect clenbuterol in the blood or urine of the horse after a workout to demonstrate its physical fitness, pursuant to Rule 1866.
(c) A horse shall not be removed from the Veterinarian's List and allowed to start in a race until an official test sample fails to detect clenbuterol in the blood or urine of the horse after a workout to demonstrate its physical fitness pursuant to Rule 1866.

NOTE:
Authority cited: Sections 19440, 19562 and 19580, Business and Professions Code.
Reference: Sections 19440, 19562 and 19580, Business and Professions Code.

HISTORY
1. New section filed 7-31-2015 as an emergency; operative 7-31-2015 (Register 2015, No. 31). A Certificate of Compliance must be transmitted to OAL by 1-27-2016 or emergency language will be repealed by operation of law on the following day.
2. New section refiled 1-26-2016 as an emergency; operative 1-26-2016 (Register 2016, No. 5). A Certificate of Compliance must be transmitted to OAL by 4-25-2016 or emergency language will be repealed by operation of law on the following day.
3. New section refiled 4-25-2016 as an emergency; operative 4-25-2016 (Register 2016, No. 18). A Certificate of Compliance must be transmitted to OAL by 7-25-2016 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 4-25-2016 order, including amendment of section, transmitted to OAL 6-7-2016 and filed 7-19-2016; amendments effective 7-19-2016 pursuant to Government Code section 11343.4(b)(3) (Register 2016, No. 30).
5. Change without regulatory effect amending subsection (a)(1) filed 5-16-2019 pursuant to section 100, title 1, California Code of Regulations (Register 2019, No. 20).
6. Amendment of section heading and section filed 10-10-2019; operative 1-1-2020 (Register 2019, No. 41).

1866.2 Shockwave Therapy Restricted
(a) Prior to being brought into any CHRB racing or training inclosure, all Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy (ESWT) machines shall be registered with by the official veterinarian who shall keep a listing of all ESWT machines so registered.
(1) The listing shall be available for inspection by the official veterinarian, stewards, or CHRB investigators. The listing shall include the manufacturer, model, serial number, and the name of the CHRB licensed veterinarian responsible for the ESWT machine.
(b) Only CHRB licensed veterinarians may use ESWT machines within a CHRB racing or training inclosure.
(c) ESWT machines are not allowed in the stable area. All treatments shall be conducted in a designated area chosen by the official veterinarian responsible for that CHRB racing or training inclosure.
(1) The designated area shall be secure, safe for the horse receiving treatment, and accessible for monitoring either by security personnel or by security cameras.
(d) The treating veterinarian shall keep a log of all ESWT treatments. The log shall be available for inspection by the official veterinarian, stewards or CHRB investigators. The log shall include the date of treatment; the horse’s tattoo, microchip number, or other identifying information if the horse is not tattooed or microchipped; the anatomical area treated; and the number of pulses administered.
(e) All ESWT treatments shall be reported to the official veterinarian on a separate form Veterinarian Report Confidential CHRB-24 (Rev. 01/18) (CHRB24), which is incorporated by reference. Such report shall be submitted by 10:00 AM the day following treatment.
(f) Horses treated with ESWT shall be placed on the Veterinarian’s List for ESWT treatment for 30 days. The day after treatment is the first day on the Veterinarian’s List. The horse shall be removed from the

Veterinarian's List for ESWT on the day following the 30th day (30 + 1 days) provided that the horse satisfied Rule 1866(d). A horse on the Veterinarian's List for multiple reasons must meet the criteria required for removal for those other reasons.
(g) Horses treated with ESWT may not participate in a workout for 30 days after treatment.
(1) For the purpose of this regulation, "workout" means an exercise session near full speed, or close to full speed.
(h) No owner, trainer, or licensee shall bring into a CHRB racing or training inclosure a horse known to have received ESWST within the last 30 days without prior approval of the official veterinarian.
(i) Any person participating in the use of ESWT and/or the possession of ESWT machines in violation of this rule shall be considered to have committed a prohibited veterinary practice and is subject to a Category A penalty pursuant to Rule 1843.3.

NOTE:
Authority cited: Sections 19440, and 19562, Business and Professions Code.
Reference: Sections 19440, 19562, and 19583, Business and Professions Code.

HISTORY:
1. New Section filed 01-21-21; effective 04-01-21.

1866.3. Intra-articular Injections Restricted.
(a) No person shall permit or administer a corticosteroid intra-articular joint injection into a high-motion joint of a horse unless diagnostic imaging of that joint is performed within the seven days preceding the injection.

(1) For purposes of this regulation, "high-motion joints" shall be defined as the metacarpophalangeal, metatarsophalangeal, and carpus joints.
(2) For purposes of this regulation, "diagnostic imaging" shall be defined as radiographs, a positron emission tomography (PET) scan, scintigraphy, a computerized tomography (CT) scan, magnetic resonance imaging, or ultrasound.
(b) No person shall permit a horse to race if it has received an intra-articular joint injection within fourteen (14) days of race day.
(c) No person shall permit a horse to race if it has received a corticosteroid intra-articular joint injection into a fetlock joint within thirty (30) days of race day.
(1) For purposes of this section, "fetlock joint" includes both the metacarpophalangeal joints and the metatarsophalangeal joints.
(d) In accordance with section 1866, subsection (d)(1), no person shall permit a horse to complete a timed workout if it has received a corticosteroid intra-articular joint injection within the previous ten (10) days.
(e) The official veterinarian shall place any horse receiving intra-articular joint injection treatment on the Veterinarian's List for a length of time consistent with the time period established in subsection (b) or (c), as applicable.
(f) Any person in violation of subsection (a), (b), (c), or (d) shall be considered to have committed a prohibited veterinary practice and will be subject to a Category A penalty as described in section 1843.3.

NOTE:
Authority cited: Sections 19440, 19562 and 19580, Business and Professions Code.
Reference: Sections 19440, 19562 and 19580, Business and Professions Code.

HISTORY
1. New section filed 10-19-21; effective 10-19-21.
2. Amendment filed 4-2-24; effective 7-1-24.

1866.4 Thyroxine Restricted

(a) Thyroxine or any other thyroid hormone or thyroid hormone analog may only be administered to horses within a CHRB inclosure when both of the following conditions have been met:

(1) A TRH- (thyrotropin-releasing hormone) response test has been performed by a CHRB licensed veterinarian and supports a diagnosis of hypothyroidism in the horse; and

(2) A CHRB licensed veterinarian has submitted the TRH- (thyrotropin-releasing hormone) response test result to the official veterinarian or equine medical director and the official veterinarian or equine medical director approves the thyroxine prescription based on their independent determination that the test result confirms the hypothyroidism diagnosis.

(b) The prescription for thyroxine or any other thyroid hormone or thyroid hormone analog administration shall not exceed 90 calendar days after which the prescription must be re-authorized by the official veterinarian or equine medical director under either of the following circumstances:

(1) The official veterinarian or equine medical director has determined that the horse has benefitted from the previous thyroxine, thyroid hormone, or thyroid hormone analog treatment after reviewing the horse's medical records and consulting with the attending veterinarian, or

(2) The hypothyroid diagnosis has been reconfirmed under the requirements described in subdivisions (a)(1) and (a)(2).

(c) A horse administered thyroxine or any other thyroid hormone or thyroid hormone analog, pursuant to this regulation, is ineligible to start in a race for 30 calendar days after administration.

(d) Possession of thyroxine or any other thyroid hormone or thyroid hormone analog within the racing inclosure is prohibited without a prescription obtained in compliance with this regulation.

NOTE:
Authority cited: Sections 19580, 19581 and 19582, Business and Professions Code.
Reference: Sections 19580, 19581 and 19582, Business and Professions Code.

HISTORY:
1. New rule filed 09-23-21; effective 01-01-22.

1867. Prohibited Veterinary Practices.

For purposes of this division, prohibited veterinary practices means:

(a) The possession and/or use on the premises of a facility under the jurisdiction of the Board of any drug, substance, doping agent, or medication specified below for which a recognized analytical method has not been developed to detect and confirm its administration; or the use of which may endanger the health and welfare of the horse, or the safety of the rider or driver, or alter equine performance.

(1) Erythropoietin (EPO) and analogs;

(2) Darbepoietin and analogs;

(3) Venoms or derivatives thereof;

(4) Growth hormone and analogs and growth hormone releasing factory including growth hormone releasing hormone GHRH, and its analogs, except platelet rich plasma and autologous conditioned plasma, are permitted provided such treatment is pursuant to a valid veterinary prescription made in accordance with all rules and regulations in this division, and the treatment is reported to the Official Veterinarian on form CHRB-60 (Rev. 7/15) (Trainer Medication Report), regardless of whether or not the horse is treated within or outside of a licensed inclosure;

(5) Ractopamine and ractopamine metabolites or analogs;

(6) Zilpaterol and zilpaterol metabolites or analogs;

(7) Aminoimidazole carboxamide ribonucleotide (AICAR);

(8) Hemopure;

(9) Myo-Inositol Trispyprophosphate (ITPP);

(10) Oxyglobin;

(11) Thymosin beta;

(b) The possession and/or use on the premises of a facility under the jurisdiction of the Board of any drug, substance or medication that has not been approved by the United States Food and Drug Administration (FDA) for use in the United States.

(1) Possession or use of any compounded drug, substance, or medication shall not be considered a prohibited veterinary practice if:

(A) There are no other human or animal drugs approved by the FDA and available to satisfy the need for the compounded drug;

(B) The drug is compounded by a California licensed veterinarian or California licensed pharmacy in compliance with State and Federal laws and regulations;

(C) The drug is compounded for an individual animal patient and not used as office stock, unless the compounded drug is listed for use on horses on the FDA List of Bulk Drug Substances for Compounding Office Stock Drugs for Use in Nonfood Producing Animals; and

(D) The compounded drug is not a copy of a marketed FDA-approved or indexed drug, unless the compounder has documented the reason(s) why a marketed FDA-approved or indexed drug can be used as the source(s) of the active ingredients.

(c) A drug compounded pursuant to subsection (b) shall only be dispensed as follows:

(1) By the pharmacy, after receipt of a prescription for an individual animal patient from a veterinarian who has established a veterinarian-client-patient relationship, directly to the prescribing veterinarian or the animal patient owner or designee of the owner.

(2) By the veterinarian to the animal patient owner or designee of the owner.

(d) The presence of any drug, substance or medication described in subsections (a)(1) through (a)(11), and subsection (b) of this regulation in any test sample obtained consistent with Rules 1858, 1859, 1859.1, and 1859.25 of this article, and the provisions of this article, shall apply to such sample in the same manner as if the horse were entered to race (See Title 4, California Code of Regulations, section 1843.3).

NOTE:
Authority cited: Sections 19440, 19562, 19580 and 19582, Business and Professions Code.
Reference: Sections 19580, 19581 and 19582, Business and Professions Code.

HISTORY
1. New section filed 10-15-2002; operative 11-14-2002 (Register 2002, No. 42).
2. New subsections (a)(3)-(4) and amendment of Note filed 9-16-2003; operative 10-16-2003 (Register 2003, No. 38).
3. Amendment of section and Note filed 2-1-2010; operative 3-3-2010 (Register 2010, No. 6).
4. New subsections (a)(6)-(7) filed 10-10-2012; operative 11-9-2012 (Register 2012, No. 41).
5. Amendment filed 6-24-2019; operative 6-24-2019 pursuant to Government Code section 11343.4(b)(3) (Register 2019, No. 26).
6. Amendment filed 3-13-23 as an emergency; effective through 9-12-23.
7. New subsections (b)-(b)(1)(B) and amendment of subsection (c) refiled 8-16-2023 as an emergency; operative 9-12-2023 (Register 2023, No. 33). A Certificate of Compliance must be transmitted to OAL by 12-11-2023 or emergency language will be repealed by operation of law on the following day.
8. Certificate of Compliance as to 8-16-2023 order, including amendment of subsections (b)(1)-(b)(1)(B), new subsections (b)(1)(C)-(c)(2) and subsection relettering, transmitted to OAL 9-27-2023 and filed 11-8-2023; amendments effective 11-8-2023 pursuant to Government Code section 11343.4(b)(3) (Register 2023, No. 45).

1867.1. Use of Bisphosphonates Prohibited.

(a) Bisphosphonates may not be administered to any horse within a CHRB inclosure.
(b) No licensee shall bring into a CHRB inclosure a horse known to have been administered a bisphosphonate within the previous six months.
(c) A horse that tests positive for a bisphosphonate is not permitted within a CHRB racing inclosure until a Board approved official laboratory determines that there is no longer a bisphosphonate in the horse's system.
(d) Notwithstanding subsections (a), (b), and (c) above, for nuclear imaging purposes, methylene diphosphonate may be administered when used in combination with the radionuclide technetium 99m.

NOTE:
Authority cited: Sections 19440, 19562, 19580 and 19581, Business and Professions Code.
Reference: 19440, 19580 and 19581, Business and Professions Code.

HISTORY:
1. New rule filed 4-28-2020; effective 7-1-2020.

1867.2. Administration of Multiple Intra-articular Injections.
(a) Horses treated with a third intra-articular (IA) injection with any agent in the same joint within a 60-day period shall be placed on the Veterinarian's List for a 30-day period. The first day of any 60-day period begins on the date of any reported IA injection and includes the 60th day following the date of the first IA injection in the series of IA injections that are administered within a 60-day time period.
(b) The horse shall be placed on the Veterinarian's List on the day after the third IA injection that is administered within a 60-day time period. The horse shall be removed from the Veterinarian's List on the day following the 30th day after the third IA injection that is administered in any 60-day period. A horse on the Veterinarian's List for multiple reasons must meet the criteria required for removal for each reason.

NOTE:
Authority: Sections 19440, 19562, 19580 and 19581, Business and Professions Code.
Reference: Sections 19440, 19580 and 19581, Business and Professions Code.

HISTORY:
1. New rule filed 5-16-2023; effective 7-1-2023.

1868. Authorized Medication During Workouts.
(a) No person shall administer a local anesthetic or narcotic analgesic to any horse within 24 hours of a timed workout, nor shall any horse participating in a timed workout carry in its body any local anesthetic or narcotic analgesic.
(b) Not more than one non-steroidal anti-inflammatory drug substance (NSAID) may be detected in an official test sample taken from a horse after it completes a timed workout, and shall be only one of the following:
(1) Phenylbutazone in a dosage amount that the test sample shall contain not more than 300 nanograms of the drug substance per milliliter of blood plasma or serum.
(2) Flunixin in a dosage amount that the test sample shall contain not more than 3 nanograms of the drug substance per milliliter of blood plasma or serum.
(3) Ketoprofen in a dosage amount that the test sample shall contain not more than 1 nanogram of the drug substance per milliliter of blood plasma or serum.
(4) Metabolites or analogues of one of the drug substances specified in subdivision (b)(1) through (b)(3) of this regulation may be present in test samples collected after a timed workout.
(c) If the official laboratory reports that a blood test sample collected from a horse after it completes a timed workout contains an authorized NSAID in excess of the limit for that drug substance under this rule,

the official veterinarian shall do one of the following:

(1) In conjunction with the veterinarian who administered or prescribed the authorized drug substance, establish a dosage amount or time of administration of the drug substance that will comply with the limits under this rule; or

(2) Withdraw authorization for the use of that drug substance if in his/her judgment no such reduced dosage amount or amendment to time of administration will result in a test sample level within the limits of this rule.

(d) If a blood and/or urine test sample is taken from a horse after a timed workout, which reveals a violation of this section, the penalty provisions of section 1843.3 shall apply to such timed workout in the same manner as to a scheduled race.

(e) For the purpose of this regulation, "timed workout" means an exercise session, run in compliance with Rule 1878, in which a horse runs full speed or close to full speed for the purpose of having its performance officially timed and reported.

NOTE:
Authority cited: Sections 19440, 19562, and 19580, Business and Professions Code.
Reference: Section 19580, Business and Professions Code.

HISTORY:
1. New rule filed 03-16-2020; effective 03-16-2020.

1869. Prohibited Drug Substances in Out-of-Competition Testing.

(a) In addition to those drugs, substances, doping agents, and medications described in Rule 1867(a), the following substances are prohibited from being present in any official out-of-competition test sample collected in accordance with Rules 1859, 1859.1, and 1859.25:

(1) Anabolic androgenic steroids and their metabolites and isomers, except naturally occurring endogenous anabolic steroids as authorized in Rule 1844;

(A) Notwithstanding the foregoing, anabolic androgenic steroids may be used in a horse that is out of competition, provided that:

1. The anabolic agent has been approved by the United States Food and Drug Administration (FDA) for use in the United States;
2. The administration is pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division;
3. The administration is reported to an Official Veterinarian within seventy-two (72) hours by the trainer or owner on form CHRB-60 (Rev. 7/15) (Trainer Medication Report), which is hereby incorporated by reference, regardless of whether or not the horse is treated within or outside of a licensed inclosure;
4. The horse remains on the Veterinarian's List for a minimum of six months following the administration of the anabolic androgenic steroids, and shall be removed from the list only after the horse demonstrates, to the satisfaction of the official veterinarian or the racing veterinarian, that it is raceably sound and in fit physical condition to exert its best effort in a race by performing satisfactorily in a workout or qualifying race. Additionally, a blood, urine and/or other biological test sample taken after such workout or qualifying race shall be free of all prohibited substances described in Rule 1843 before the horse can be removed from the Veterinarian's List.

(2) The following anabolic agents: selective androgen receptor modulators, tibolone, and zeranol;

(3) Erythropoietin-Receptor agonists;

(4) Hypoxia-inducible factor stabilizers, except out-of-competition blood samples may contain cobalt in an amount that does not exceed 50 nanograms per milliliter;

(5) Altrenogist, Chorionic Gonadotropin and Luteinizing Hormone and their releasing factors in males;

(A) Notwithstanding the foregoing, altrenogist may be prescribed to a male horse that is out of

competition, provided that the administration is pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division.

1. The administration is reported to an Official Veterinarian within seventy-two (72) hours by the trainer or owner on form CHRB-60 (Rev. 7/15) (Trainer Medication Report), which is hereby incorporated by reference, or on form CHRB-24 (Rev. 7/15) (Veterinarian Report) if administered by a CHRB licensed veterinarian.

(6) Corticotrophins and their releasing factors;

(A) Notwithstanding the foregoing, adrenocorticotropic hormone (ACTH) may be used in a horse that is out of competition, provided that:

1. The administration is pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division;
2. The administration is reported to an Official Veterinarian within seventy-two (72) hours by the trainer or owner on form CHRB-60 (Rev. 7/15) (Trainer Medication Report), regardless of whether or not the horse is treated within or outside of a licensed inclosure.

(7) Beta-2 agonists, including all optical isomers;

(A) Notwithstanding the foregoing, clenbuterol and albuterol may be used in a horse that is out of competition, provided that the administration is pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division.

(8) The following aromatase inhibitors: aminoglutethimide, anastrozole, androsta-1,4,6-triene-3,17-dione (androstatrienedione), 4-androstene-3,6,17 trione (6-oxo), exemestane, formestane, letrozole, testolactone;

(9) The following selective estrogen receptor modulators: raloxifene, tamoxifen, toremifene;

(10) The following anti-estrogenic substances: clomiphene, cyclofenil, fulvestrant;

(11) The following agents modifying myostatin function(s): myostatin inhibitors;

(12) The following metabolic modulators: activators of the AMP-activated protein kinase, Peroxisome Proliferator Activated Receptor δ (PPARδ) agonists, insulins, trimetazidine, Thyroxine, and thyroid modulators/hormones containing T4 (tetraiodothyronine/thyroxine), T3 (triiodothyronine), or combinations thereof.

(A) Notwithstanding the foregoing, Thyroxine (T4) shall not be considered a prohibited substance provided that such treatment is made pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division.

(13) The following diuretics and masking agents: desmopressin, furosemide, plasma expanders, probenecid, torsemide, acetazolamide, amiloride, bumetanide, canrenone, chlorthalidone, etacrynic acid, indapamide, metolazone, spironolactone, thiazides, triamterene, trichlormethiazide, vasopressin receptor antagonists, and vaptans.

(A) Notwithstanding the foregoing, furosemide and trichlormethiazide may be used in a horse that is out of competition, provided that the administration is pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division.

(B) Additionally, notwithstanding the foregoing, the above diuretics may be administered in an emergency situation in order to safeguard the health of the horse, provided that such treatment is:

1. Made pursuant to a valid veterinary prescription, and both the administration and prescription are carried out in accordance with all rules and regulations in this division, and
2. The administration is reported to the Official Veterinarian on either form CHRB-60 (Rev. 7/15) (Trainer Medication Report) by the trainer, or on form CHRB-24 (Rev. 7/15)

(Veterinarian Report), if administered by a CHRB licensed veterinarian, which is hereby incorporated by reference, by the treating veterinarian within twenty-four (24) hours.

(b) Therapeutic substances that are not otherwise prohibited pursuant to this regulation are permitted for use when a horse is out of competition, provided such substances have been approved by the FDA for use in the United States, and are prescribed and administered in accordance with all applicable federal and state laws and regulations, including but not limited to all CHRB rules and regulations and Title 16 California Code of Regulations section 2032.1.

(c) A finding by the official laboratory that an official out-of-competition test sample taken from a horse contains a drug substance or its metabolites or analogues which is prohibited under this regulation shall be prima facie evidence the drug substance has been administered to the horse.

(1) If the official out-of-competition test sample was obtained outside a licensed enclosure, the trainer, owner, foreman, groom, and/or any other licensee shown by a preponderance of the evidence to have been responsible for the care, custody and control of the horse may be fined, and/or have his or her license suspended or revoked.

(2) If the official out-of-competition test sample was obtained inside a licensed enclosure, the trainer is the absolute insurer of and responsible for the condition of the horses under his or her care, regardless of the acts of third parties, except as otherwise provided in this article, and may be fined, and/or have his or her license suspended or revoked.

(3) The defenses described in Rule 1888 shall be available to any person charged with a violation of this regulation.

(d) The Board, the board of stewards, the hearing officer, or the administrative law judge shall assess a penalty for violation of this section based upon the classifications and penalties set forth in Rules 1843.2 and 1843.3.

(e) A race day prohibition or restriction of a substance under this Article is not applicable to an out-of-competition test unless otherwise stated.

(f) A finding by the official laboratory that an official out-of-competition test sample taken from a horse contains a drug substance or its metabolites or analogues that are prohibited under this regulation shall require that horse to be automatically placed on the Veterinarian's List for a minimum of 180 days from the date the owner and trainer waive their right to a split sample or from the date that a split sample laboratory confirms the presence of the prohibited substance, whichever date is later.

NOTE:
Authority cited: Sections 19420, 19440, 19562, and 19580, Business and Professions Code.
Reference: Sections 19440, 19580 and 19583, Business and Professions Code.

HISTORY:
1. New rule filed 6-24-19; effective 6-24-19.

TITLE 4, DIVISION 4, ARTICLE 16. GENERAL CONDUCT

1870. Conditions of Meeting Binding upon Licensees.

The Board, recognizing the necessity of an association to comply with the requirements of its license and to fulfill its obligation to the public and the State of California with the best possible uninterrupted services, in the comparatively short licensed period, herein provides that all associations, officials, horsemen, owners, trainers, jockeys, grooms, platers, association employees, and all licensees, who have accepted directly or indirectly, with reasonable advance notice, the conditions under which said association engages and plans to conduct such race meeting, shall be bound thereby.

1871. Notice of Intention to Terminate.

Any association, officials, horsemen, owners, trainers, jockeys, grooms, platers, association employees, and all licensees, who so accept such conditions pursuant to Rule 1870 shall, before they terminate or

discontinue their employment, engagements or activities, give the Board and the association with whom they are engaged, at least 15 days notice in writing of their intentions to terminate or discontinue their employment, engagements or activities under such conditions. The Board may upon notice to all parties of interest, conduct a hearing with respect to any termination or discontinuance of employment.

1872. Failure to Fulfill Jockey Agreement.
No jockey engaged for a certain race or for a specified time may fail or refuse to abide by his agreement unless excused by the stewards.

1873. Furnishing Racing Selection.
No licensee, employee of the racing association, or employee of any concessionaire of the racing association shall furnish a handicap or selection or racing prediction to any racing prediction or selection service or to any tipster sheet required to file with the Board pursuant to section 19664 of the Business and Professions Code.

1874. Disorderly Conduct.
No licensee shall be under the influence of any alcoholic beverage, and/or any illegal substance while performing their respective duties while within the inclosure of any racing association or fair, simulcast wagering facility, auxiliary stabling facility or Board-approved training facility. Nor shall any licensee conduct themselves in a disorderly or boisterous manner at any time while within the inclosure of any racing association or fair, simulcast wagering facility, auxiliary stabling facility or Board-approved training facility including but not limited to:
1. Fighting;
2. Threatening, abusive or aggressive behavior toward another person;
3. Any behavior that impedes others from performing their duties; and/or
4. Any other behavior that is detrimental to the public and racing.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19440 and 19460, Business and Professions Code.

HISTORY:
1. Amendment filed 3-28-96; effective 4-27-96.

1875. Weapons and Ammunition.
No licensee, employee of the association or its concessionaires, shall possess the following while on the grounds of a facility within the purview or control of the Board:
(1) A firearm or any ammunition, unless such possession has been authorized by state or federal law and the documentation of such authorization is on his or her person.
(2) Any device or instrument that expels a projectile, such as a BB or pellet, through the force of air pressure, gas pressure, or spring action.
(3) Any non-powder gun (NPG) device, such as, but not limited to, an airsoft gun, BB gun, pellet gun, spot marker gun, paint ball gun, taser gun, or stun gun.

NOTE:
Authority cited: Sections 19420, 19440 and 19460, Business and Professions Code.
Reference: Sections 19420, 19440 and 19460, Business and Professions Code.

HISTORY:
1. Amendment filed 1-6-94; effective 2-7-94.
2. Amendment filed 8-9-24; effective 10-1-24.

1876. Financial Responsibility.

(a) No licensee shall willfully and deliberately fail or refuse to pay any moneys when due for any service, supplies or fees directly related to his or her California horse racing operations, nor shall he or she falsely deny any such amount due or the validity of the complaint thereof with the purpose of hindering or delaying or defrauding the person to whom such indebtedness is due.

(b) Any financial responsibility complaint against a licensee shall be in writing, signed by the complainant, and accompanied by documentation of the services, supplies or fees alleged to be due, or by a judgment from a civil court which has been issued within one year of the date of the complaint.

(c) The Board will not consider a financial responsibility complaint made by the complainant against the same accused within twenty-four months of the filing of the instant complaint.

(d) The Board will consider only those financial responsibility complaints which meet the following criteria:

(1) The complaint involves services, supplies or fees that are directly related to the licensee's California racetrack operations; and

(2) The debt or cause for action originated, or the civil court judgment was issued, in this State within one year of the filing of the complaint.

(e) Financial responsibility complaints submitted by equine medical hospitals, and horse auction sales authorized by the Board in accordance with Rule 1807 of this Division, will be considered provided such complaints comply with subsections (b), (c) and (d) (1) through (d) (2) of this regulation, and are directly related to the California horse racing operations of a person licensed by the Board.

(1) Financial responsibility complaints submitted by horse farms will be considered provided the complaint is for not less than one thousand dollars and is related to the horse operations of a person licensed by the Board.

(f) Financial responsibility complaints that are horse racing related wage disputes originating between persons licensed by the Board will be considered.

NOTE:
Authority cited: Sections 19440 and 19460, Business and Professions Code.
Reference: Sections 19440, 19460 and 19461, Business and Professions Code.

HISTORY:
1. Amendment filed 10-4-93; effective 11-3-93.
2. Amendment filed 6-21-11; effective 7-21-11.

1877. Checks.

No licensee shall write, issue, make or present any check in payment for any license fee, fine, nomination or entry fee or other fees, or for any service or supplies when such licensee knows or should reasonably know that the said check will be refused for payment by the bank upon which it is written, or that the account upon which the check is written does not contain sufficient funds for payment of the said check, or that the check is written on a closed account or a non-existent account. The fact that such a check is returned to the payee by the bank as refused is a ground for suspension pending satisfactory redemption of the returned check.

1878. Workouts.

(a) No trainer shall permit a horse in his charge to be taken onto the track for training or a workout except during hours designated by the association, and a trainer desiring to engage a horse in a workout shall prior to such workout identify the horse by name when requested to do so by the stewards or their authorized representative.

(b) A horse shall not be permitted to workout unless:

(1) The horse has been examined by the trainer’s attending veterinarian during the seventy-two (72) hours immediately preceding the workout for the express purpose of evaluating the horse’s fitness

to workout; and

(2) An evaluation has been conducted by the attending veterinarian and a determination has been made that the horse is fit to workout.
    (A) The examination shall include, but not be limited to, close inspection of the eyes, examination of the legs, and observation of the horse at rest and while in motion.
    (B) The attending veterinarian and trainer shall inform the Official Veterinarian of any changes in the horse's fitness after examination and before workout.
    (C) The evaluation shall be recorded in the Veterinarian Report in accordance with section 1842.

(c) For the purpose of this section, "workout" means an exercise session near full speed, or close to full speed.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440 and 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 11-10-21; effective 1-1-22.

1879. Interest in Earnings of Jockey.
No owner or trainer shall have an interest in the earnings of a jockey.

1880. Gratuity to Starter or Assistant Starter.
No person shall give to any starter or assistant starter, nor shall any starter or assistant starter receive money, or other compensation, gratuity or reward, in connection with the running of any race or races; except such compensation as salaries received from associations.

1881. Exclusion of Persons from Race Course.
No person shall enter upon or remain upon the race course the race is to be run over from the time the horses enter the race course from the paddock until the race has been run. This rule shall not apply to racing officials, licensees on duty which requires their presence on the course, and such persons who for good cause have been granted permission by the stewards or the Board.

1884. Unsatisfactory Rides.
No jockey shall take his horse back without reasonable cause, or intentionally ride wide on the turns, or otherwise cause his mount to lose ground when there is not reasonable cause for such loss, or otherwise ride in a manner which is inconsistent with using the best efforts of the horse he is riding.

1885. Rough Riding.
Rough riding is defined as a deliberate act in violation of any riding rule, or any willful or wanton act which is the proximate cause of any racing accident or injury to any jockey or his mount during the running of a race. The stewards shall report to the Board any rough riding.

1886. Suspended Jockey May Exercise Horses.
During the term of a suspension, a jockey may exercise horses unless denied such privileges by the stewards or the Board.

1887. Trainer or Owner to Insure Condition of Horse.
(a) The trainer is the absolute insurer of and responsible for the condition of the horses entered in a race, regardless of the acts of third parties, except as otherwise provided in this article. If the chemical or other analysis of urine or blood test samples or other tests, prove positive showing the presence of any

prohibited drug substance defined in Rule 1843.1 of this division, the trainer of the horse may be fined, his/her license suspended or revoked, or be ruled off. In addition, the owner of the horse, foreman in charge of the horse, groom, and any other person shown to have had the care or attendance of the horse, may be fined, his/her license suspended, revoked, or be ruled off. The owner of a ship-in horse is the joint-absolute insurer of and is equally responsible for the condition of the horse entered in a race.
(b) A ship-in horse is defined as any horse entered to race that has not been in the care of a Board-licensed trainer for seven consecutive calendar days prior to the day of the race for which it is entered.
(c) Notwithstanding the above, if the Board or its agents fail to notify a trainer or the owner of a ship-in horse of a potential positive test within 21 calendar days from the date the sample was taken, the trainer or the owner of a ship-in horse shall not be deemed responsible under this rule unless it is shown by the preponderance of the evidence that the trainer or the owner of a ship-in horse administered the drug or other prohibited substance defined in Rule 1843.1 of this division, caused the administration or had knowledge of the administration.

NOTE:
Authority cited: Sections 19440, 19580 and 19581, Business and Professions Code.
Reference: Sections 19440, 19577, 19580 and 19581 Business and Professions Code.

HISTORY:
1. Amendment filed 7-9-92; effective 8-8-92.
2. Amendment filed 10-25-94; effective 11-24-94.
3. Amendment filed 12-6-99; effective 12-6-99.
4. Amendment filed 8-8-05; effective 9-7-05.
5. Amendment filed 12-29-15; effective 4-1-16.

1888. Defense to Trainer Insurer Rule.
A trainer or other person charged with a violation of Rule 1887 of this division may defend, mitigate or appeal the charge if:
(a) He was not, before the commencement of any proceeding against him, informed of the charges being brought against him;
(b) He was not permitted counsel, representation or an advisor of his choosing in any hearing before the stewards concerning the charges;
(c) He shows, by a preponderance of evidence, that he made every reasonable effort to protect the horses in his care from tampering by unauthorized persons; and
(d) He was not permitted to introduce evidence in his own behalf before any finding or ruling was made against him. Nothing herein shall require that the stewards permit cross-examination of any witness appearing before them, or issue subpoenas for the attendance of witnesses.

NOTE:
Authority cited: Sections 19440 and 19580, Business and Professions Code.
Reference: Sections 19440 and 19580, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1889. Entry to Area Assigned to Trainer.
No person shall enter the stalls, shed row, tack rooms, feed sheds and the immediate adjacent area of the locations, unless the person has prior approval of the trainer to whom the locations are assigned by the association. This rule does not apply to racing officials, investigators of the Board, security officers, employees or agents of the association who are on duty, law enforcement or fire protection officers, and employees, agents or representatives of the trainer to whom the locations are assigned.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1890. Possession of Contraband.
(a) No person other than a veterinarian licensed by the Board, a registered veterinary technician (RVT), or a licensed veterinarian's assistant shall have in his or her possession at a facility under the jurisdiction of the Board any drug which is a narcotic, stimulant, or depressant, or any other substance or medication that has been prepared or packaged for injection by a hypodermic syringe or hypodermic needle, or any hypodermic syringe or hypodermic needle or similar instrument which may be used for injection.
(b) No person other than a veterinarian licensed by the Board, RVT, or a licensed veterinarian's assistant shall have in his or her possession at a facility under the jurisdiction of the Board any veterinary treatment or any medicine, medication, or other substance recognized as a medication, which has not been prescribed in accordance with Rule 1840 of this division and labeled in accordance with Rule 1864 of this division.
(c) No person shall have in his or her possession on the premises during any recognized meeting any electrical stimulating or shocking device commonly known as a battery, or any mechanical stimulating device, or any other appliance, which might affect the speed or actions of a horse.
(d) The stewards may permit the possession of drugs or appliances by a licensee for personal medical needs under such conditions as the stewards may impose.

NOTE:
Authority cited: Sections 19420, 19440 and 19580, Business and Professions Code.
Reference: Sections 19460, 19580 and 19581, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.
2. Amendment filed 1-27-10; effective 2-26-10.
3. Amendment filed 9-19-24; effective 1-1-25.

1891. Seizure of Contraband.
Investigators of the Board, track security officers, or officials shall confiscate any contraband named in Rule 1890 of this division, and any other drug or device prohibited by federal or state law, from any person within the inclosure who is not in legal possession of the drug or device.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420, 19440 and 19581, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1891.1. Penalty for Possession of Electrical Device.
(a) A complaint against a licensee for a violation of, or conspiring to violate, Rule 1890 (c) of this division shall be referred to the Board of Stewards for hearing and adjudication or to the Board pursuant to Rule 1529.

(b) A finding by the Board of Stewards of a violation of Rule 1890 (c) shall be referred to the district attorney for the county in which the violation occurred, citing California Penal Code section 337f (a) (1).

NOTE:
Authority cited: Sections 19420, and 19440, Business and Professions Code.
Reference: Sections 19460, and 19523, Business and Professions Code. Section 337f(a)(1), Penal Code.

HISTORY:
1. New rule filed 6-4-15; effective 10-1-15.
2. Amendment filed 8-12-21; effective 10-1-21

1892. Bribes.
No person shall give, or offer or promise to give, or attempt to give or offer, any money, bribe or thing of value to any owner, trainer, jockey, agent, or any other person participating in the conduct of a race meeting in any capacity, with the intention, understanding or agreement that such owner, trainer, jockey, agent or other person shall not use his best efforts to win a race or so conduct himself in such race that any other participant in such race shall be assisted or enabled to win such race; nor shall any trainer, jockey, owner, agent or other person participating at any race meeting accept, offer to accept, or agree to accept any money, bribe or thing of value with the intention, understanding or agreement that he will not use his best efforts to win a race or to so conduct himself that any other horse or horses entered in such race shall thereby be assisted or enabled to win such race.

1894. Duties of Trainer.
Trainers are responsible for the condition of horses in their care and are presumed to know the rules. A trainer represents the owner relative to horses which he is training in the matter of entries, declarations, and the naming of jockeys or drivers, unless the owner notifies the stewards in writing to the contrary. A trainer is responsible for the timely attendance of his horse at the receiving barn and paddock and he shall attend his horse in the paddock and be present to supervise the saddling except when relieved of such duty by the stewards. No trainer shall delegate or sublet his duties as a trainer except as provided in this article, nor shall a trainer have any interest in the earnings, winnings, or bonuses of any other trainer.

1895. Trainer's Duty to Insure Licensed Participation.
No trainer shall have in his custody within the inclosure of any race meeting any horse owned in whole or in part by any person who is not licensed as a Horse Owner by the Board unless such owner has filed an Application for License as a Horse Owner with the Board and the same is pending before the Board; nor shall any trainer have in his employ within the inclosure any groom, stable employee, stable foreman, agent, or other person required to be licensed, unless such person has a valid license. All changes of employee personnel shall be reported immediately to the Board.

1896. Assistant or Substitute Trainer.
A trainer who has in his care a substantial number of horses, or who is actively participating in more than one race meeting at one time, may employ an assistant trainer, who shall be equally responsible with the employing trainer for the condition of the horses in their care. The name of the assistant trainer shall be shown on the official program along with that of the employing trainer. If any licensed trainer is prevented from performing his duties by illness or other good cause, and is absent from the track where he is participating, the stewards shall be immediately notified, and at the same time, a substitute trainer, acceptable to the stewards, shall be appointed and such substitute trainer's name shall be shown on the official program if possible. The stewards shall be advised immediately when the regular trainer resumes

his duties. A substitute trainer shall be responsible with the regular trainer for the condition of the horses in his care. Assistant and substitute trainers must be licensed trainers.

1897. Interference with Horses, Racing Participants or Racing Operations.
No person shall directly or indirectly interfere with the leading of horses from the stable area or to the receiving barn or to the paddock or in the parade by throwing any article at such horses, by waving hats or arms, or in any other manner frighten such horses; nor shall any person interfere with, block or impede any racing participant who is then performing his proper duties, nor fight, threaten to fight, or strike at any racing participant who is then performing his duties nor interfere with, block, impede or disrupt any racing operation in any manner.

1898. Offering False Information for Wagering.
No licensee or employee of a racing association or its concessionaires shall knowingly or designedly by false representation attempt to, or persuade, procure, or cause another person to wager on a horse in a race to be run in this State or elsewhere; nor shall any licensee or employee of a racing association or its concessionaires ask or demand compensation as a reward for any racing selection or purported racing prediction provided to any person for wagering purposes. This shall not apply to the vending of newspapers or to other publications approved by the Board.

1899. Offenses Requiring Suspension.
The stewards shall suspend and refer to the Board any licensee who is within the classes of persons prohibited from participating in pari-mutuel wagering and prohibited from being present within the racing inclosure.

NOTE:
Authority cited: Section 19440, Business and Professions Code. Reference:
Sections 19440, 19460 and 19461, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1900. Grounds for Suspension or Revocation.
Any provision of any rule which is a ground for denial of a license is also a ground for suspension or revocation of a license.

1901. Conflicts of Interest.
The stewards shall determine matters involving conflicts of interest among competing participants.

1902. Conduct Detrimental to Horse Racing.

No licensee shall engage in any conduct prohibited by this Division nor shall any licensee engage in any conduct which by its nature is detrimental to the best interests of horse racing including, but not limited to:

(a) knowing association with any known bookmaker, known tout, or known felon.

(b) indictment or arrest for a crime involving moral turpitude or which is punishable by imprisonment in the state or federal prison, when such indictment or arrest is the subject of notorious or widespread publicity in the news media, and when there is probable cause to believe the licensee committed the offenses charged.

(c) solicitation of or aiding and abetting any other person to participate in any act or conduct prohibited by this Division,

(d) participation in, or presence at, any non-recognized race meeting where racing occurred.

(1) Recognized race meeting is defined pursuant to subsection (u) of Rule 1420.

(2) Racing is defined pursuant to subsection (s) of Rule 1420.

NOTE:
Authority cited: Sections 19440, 19460, and 19560, Business and Professions Code.
Reference: Sections 19440, 19460, 19560, 19572, and 19660, Business and Professions Code.

HISTORY:
1. Amendment filed 2-22-93; effective 3-24-93.
2. Amendment filed 10-13-23; effective 1-1-24.

1902.5. Animal Welfare.

No person under the jurisdiction of the Board shall alone, or in concert with another person, permit or cause an animal under his control or care to suffer any form of cruelty, mistreatment, neglect or abuse. Nor shall such person abandon; injure; maim; kill; administer a noxious or harmful substance to; or deprive an animal of necessary care, sustenance, shelter or veterinary care.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19460 and 19580, Business and Professions Code.

HISTORY:
1. New rule filed 1-9-06; effective 2-8-06.

1903. Illegal or Improper Use of Communications Equipment or Devices.

No person shall use any telephonic, radio, semaphore or other signaling or communication equipment or device to transmit wagering information and/or the results of a race within any racing association, fair or simulcast wagering facility inclosure unless its use has been authorized by the Board. Any communication equipment or device used contrary to this rule is subject to confiscation by an investigator of the Board. This rule does not prohibit the personal use of the devices for purposes other than the transmission of racing information by any person within the inclosure when permitted by the racing association, fair or simulcast wagering facility.

NOTE:
Authority cited: Sections 19440, 19590 and 19595, Business and Professions Code.
Reference: Sections 19440, 19590 and 19595, Business and Professions Code.

HISTORY:
1. Amendment filed 9-19-94; effective 10-19-94.

2. Amendment filed 12-6-99; effective 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 17. FIRE PREVENTION AND SECURITY

1920. Security Control.
Every association conducting a race meeting shall maintain security controls over its premises and such security controls are subject to the approval of the Board.

1921. Stable Records Required.
Unless granted exemption by the Board, every association shall maintain stable area records which shall show the entry and departure of non-licensed visitors to the stable area. Such records will specify the name of the visitor and the authorizing licensee for such visit, and will be made available to the Board, its investigators, or the stewards upon demand. Such records will be retained for at least six months.

1922. Identification Required.
Unless the Board permits otherwise, a license, visitor's pass, or other identification issued by the Board or the association shall be visibly displayed by any person within any restricted area. Persons in the stable area of fairs are exempt from this requirement when the stable area of the fair is a part of the general exhibition area for livestock and is exempted by the Board. No person shall use the license or credential issued to another, nor shall any person give or loan his license or credential to any other person.

NOTE:
Authority cited: Sections 19440, 19460 and 19510, Business and Professions Code.
Reference: Sections 19440, 19460 and 19510, Business and Professions Code.

HISTORY:
1. Amendment filed 4-24-92; effective 5-24-92.

1923. Association Credentials.
The racing association may establish a system or method of issuing credentials or passes to restrict access to its restricted areas or to insure that all participants at its meeting are licensed as required by this Division; provided, however, that no such system or methods may exclude any investigator or employee of the Board or any peace officer then on duty, nor shall any person be excluded on the basis of sex, color, creed, or national origin or ancestry.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1924. Association to Prevent Unauthorized Access to Restricted Areas.
Unless granted exemption by the Board, every association shall prevent access to and shall remove or cause to be removed from its restricted areas any person who is unlicensed, or who has not been issued a visitor's pass or other identifying credential, or whose presence in such restricted area is unauthorized.

1925. Exemption for Tour Groups and Fairs.
Rules 1921, 1922 and 1924 of this division do not apply to groups of persons who are under the

supervision of an authorized guide or official to tour a racing facility, and do not apply to the stable area of any fair when the fair stable area is a part of the general exhibition area for livestock and is exempted by the Board.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1926. Entrance to Jockey Room Prohibited.
Except with permission of the stewards or the Board, no person shall be permitted entrance into the jockey room or driver's room from one hour before post time for the first race until after the last race other than jockeys, drivers, their attendants and valets, racing officials and security officers on duty, and association employees performing required duties.

1927. Fire Safety.
A racing association, fair, or approved training facility shall plan for and have protocols in place for instances of fire within their inclosures. Fire and life safety inspections shall be performed in accordance with the local authority and the California Building Standards Code (California Code of Regulations, Title 24).
Licensees shall document to the Board adherence to the applicable local fire protection authority by providing the following to the Board:
(a) A written clearance from the fire authority having jurisdiction over the inclosure. This written clearance shall be filed with the Board on an as-needed basis such that the written clearance is continuously in effect during the period horses or licensees are present at the inclosure.
(b) The protocols in place for instances of fire within the inclosure.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19440 and 19481, Business and Professions Code.

HISTORY:
1. Amendment filed 6-26-24; effective 10-1-24.

1927.1. Tampering with Smoke Detectors Prohibited.
(a) In accordance with section 901.8 of title 24, part 9 of the California Code of Regulations (California Fire Code), no licensee shall willfully tamper with, dismantle, or disable any automatic fire alarm system or smoke detector that is located on the grounds of a facility under the jurisdiction of the Board.
(1) A violation of 1927.1(a) shall result in a hearing before the stewards who will impose a fine of:
(A) $25.00 for the first offense within a 365 day period;
(B) $50.00 for the second offense within a 365 day period;
(C) $75.00 for the third offense within a 365 day period;
(D) $100.00 for the fourth or more offense within a 365 day period.
(b) A trainer will be found culpable, after a hearing before the stewards, if two or more violations of 1927.1(a) are committed by any one of the trainer’s assigned employees in the trainer’s assigned area within a 365 day period.
(1) A trainer found culpable under 1927.1(b) will be fined:
(A) $100 for the second offense within a 365 day period;
(B) $200 for the third offense within a 365 day period;

(C) $300 for the fourth offense within a 365 day period;
(D) $500 for the fifth or more offense within a 365 day period.

NOTE:
Authority cited: Sections 19420, 19440, 19460 and 19661, Business and Professions Code.
Reference: Sections 19440 and 19481, Business and Professions Code.

HISTORY:
1. Amendment filed 3-11-14; effective 7-1-14.

1928. Evacuation Plan.
(a) Every association, fair, or approved training facility shall post in its stable and backstretch worker housing areas the emergency evacuation plan, which shall state the following:
(1) The nearest exit in case of fire or other emergency.
(2) The location of the nearest fire alarm box.
(3) The telephone number of the fire department or other pertinent instructions as to the method for reporting a fire in the area.
(b) The notices shall be in English and Spanish and posted no more than 100 feet apart or as approved by the local fire authority.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19481 and 19481.5, Business and Professions Code.

HISTORY:
1. Amendment filed 5-7-02 as an emergency; effective through 11-8-03.
2. Amendment filed 9-23-03; effective 10-23-03.
3. Amendment filed 6-26-24; effective 10-1-24.

1929. Examination of Personal Effects.
The Board, its investigators, or racing officials may enter the stables, rooms, or other places within the premises of a recognized meeting to inspect and examine the personal effects and property of any licensee or other person in or about or permitted access to any restricted area; and each licensee in accepting his license, and each person entering such restricted area does thereby consent thereto.

1930. Obedience to Security Officers and Public Safety Officers.
No licensee shall willfully ignore or refuse to obey any lawful order issued by the stewards, the Board, or any security officer of the association, or any public safety officer of any police, fire or law enforcement agency, when such order is issued or given in the performance of duty.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Sections 19420 and 19440, Business and Professions Code; Section 337.9 and 830.3(d), Penal Code of California.

HISTORY:
1. Amendment filed 1-11-94; effective 2-10-94.

TITLE 4, DIVISION 4, ARTICLE 18. PARI-MUTUEL WAGERING

1950. Pari-mutuel Wagering.

All forms of wagering, including the daily double, quinella, special quinella or exacta, and similar or other pool systems may only be used with permission of the Board and under the provisions of the Horse Racing Law.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19420, 19440 and 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-6-99; effective 12-6-99.

1951. Pari-mutuel Tickets.

A pari-mutuel ticket is evidence of a contribution to the pari-mutuel pool operated by the licensee association and of the obligation of the association to pay to the holder thereof the portion of the distributable amount of the pari-mutuel pool represented by the valid pari-mutuel ticket. The association shall cash all valid unmutilated winning tickets when the tickets are presented for payment during the course of the meeting where sold, and until May 15 of the year following the year in which the meeting ends.

(a) To be deemed valid, a pari-mutuel ticket shall have been issued by a pari-mutuel ticket machine operated by the association, recorded as a ticket entitled to a share of the pari-mutuel pool, and contain imprinted information as to:

(1) The name of the association operating the meeting.
(2) The date of the wagering transaction.
(3) A unique identifying number or code word.
(4) The race number for which the pool is conducted.
(5) The type(s) of wagers represented.
(6) The number(s) representing the wagering interests for which the wager is recorded.
(7) The amount(s) of the contributions to the pari-mutuel pools for which the ticket is evidence.

(b) Pari-mutuel tickets recorded or reported as previously paid, canceled, or non-existent shall not be deemed valid by the association.

(c) The association may withhold payment and refuse to cash any pari-mutuel ticket deemed not valid or which is presented for payment by a person believed to be other than the person who contributed to the pari-mutuel pool as represented by the pari-mutuel ticket.

NOTE:
Authority cited: Section 19590, Business and Professions Code.
Reference: Sections 19592 and 19598, Business and Professions Code.

HISTORY:
1. Repealer and new rule filed 5-12-82; effective 6-11-82.
2. Amendment filed 1-27-93; effective 2-26-93.
3. Amendment filed 11-14-95; effective 12-14-95.
4. Amendment filed 12-6-99; effective 12-6-99.

1951.1. Totalizator Systems.

For the purposes of compatibility for totalizator systems operating in California, totalizator companies shall provide:

(a) Systems that electronically transfer wagering information to all other totalizator systems merging parimutuel pools with California racing associations, both intrastate and interstate.

(b) Systems that include a daily electronic download of parimutuel data directly to the horse racing data

base, as designated by the Board.
(c) A daily history of individual totalizator transactions in a computer readable medium for each race meeting for a minimum of one year after the conclusion of the meet.

NOTE:
Authority cited: Sections 19590, 19592.5 and 19642, Business and Professions Code.
Reference: Sections 19592.5 and 19593, Business and Professions Code.

HISTORY:
1. New rule filed 6-22-95; effective 7-22-95.

1952. Claim for Payment from Parimutuel Pool.
A written, verified claim for payment from a parimutuel pool shall be accepted by the licensee association in any case where the association has withheld payment or has refused to cash a parimutuel ticket presented for payment. The claim shall be made on such form as approved by the Board and the claimant shall make such claim under penalty of perjury. The original of such claim shall be promptly forwarded to the Board.
(a) In the case of a claim made for payment of a mutilated parimutuel ticket which does not contain the total imprinted elements required in Rule 1951, the association shall make a recommendation to accompany the claim forwarded to the Board as to whether or not the mutilated ticket has sufficient elements to be positively identified as a winning ticket.
(b) In the case of a claim made for payment of a parimutuel ticket, the Board shall adjudicate the claim and may order payment thereon from the parimutuel pool or by the association or may deny the claim or may make such other Order as it may deem proper.

NOTE:
Authority cited: Section 19590, Business and Professions Code.
Reference: Sections 19592 and 19598, Business and Professions Code.

HISTORY:
1. Repealer and new rule filed 5-12-82; effective 6-11-82.

1953. Lost or Destroyed Tickets.
No claim for a lost or destroyed parimutuel ticket shall be accepted by the association or the Board.

1954. Parimutuel Pools.
The association shall provide, win, place and show pools in any race in which there are five or more separate wagering interests which are obligated to start. The association shall provide win and place pools where there are four separate wagering interests which are obligated to start. The association shall provide a win pool only in any race where less than four separate wagering interests are obligated to start. Upon a showing of good cause, the Board may waive the requirement for a place or show pool in any race.

1954.1. Parlay Wagering on Win, Place or Show.
(a) The parlay is not a separate pari-mutuel pool, it is a series of wagers (consisting of legs) combining wagering entries in Win, Place or Show pools. The initial amount wagered constitutes the wager on the first leg, and if successful, the payout from the first leg constitutes the wager on the second leg, etc.
(b) A parlay wager is limited to Win, Place or Show which have a corresponding pool conducted on the race selected. The wager must combine at least two races but not more than six races. The races in a parlay must be in chronological order but do not need to be consecutive races or combine the same type pool.

(c) A parlay wager may only be on one pool and one wagering interest per leg and cannot combine wagers on races on other days.
(d) Payouts included as wagers in subsequent races and the final payout to the parlay wagerer shall be broken to the nearest dime. Parlay breakage shall be reported separately and added to regular breakage at the end of the day for the purpose of taxation and distribution.
(e) Parlay payouts will be included as wagers in subsequent pools by the track operator so the amount of such wagers, including their impact on the wagering odds, will be displayed. Wager totals in such pools shall be displayed in truncated fashion, to the lowest dollar.
(f) Parlay wagers may be cancelled by the ticket holder, in accordance with track policy, only before the start of the first parlay leg in which a parlay selection starts. Parlay wagers not cancelled must be completed or terminated by operation of these rules in order to be entitled to a payout.
(g) If a wagering interest in a parlay is scratched, which includes being declared a non-starter for wagering purposes, or if a wagering interest is designated to run for purse only in accordance with Rule 1974 of this article, or a race or pool is scratched or cancelled, the parlay shall consist of the remaining legs. The parlay terminates if there are no remaining legs.

NOTE:
Authority cited: Section 19590, Business and Professions Code.
Reference: Sections 19594, 19597 and 19598, Business and Professions Code.

HISTORY:
1. New rule filed 2-8-95; effective 2-8-95.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 7-12-11; effective 8-11-11.

1955. Distribution of Pools.
After the results of the race have been declared official by the Stewards, the parimutuel pools are subject to distribution to the holders of parimutuel tickets entitled to share in the respective pools in accordance with the provisions of the Horse Racing Law and this Division. When only two horses finish in a race, the show pool, if any, shall be distributed the same as in a place pool. When only one horse finishes in a race the place pool and show pool, if any, shall be distributed the same as in a win pool. In any race in which no horse finishes, or which is declared as no contest by the Stewards, all money wagered on the race shall be refunded to the respective ticket holders.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1956. Race Declared Official.
The decision of the Stewards regarding the order of finish is final at the time the Stewards order the official sign displayed on the totalizator board. No rulings of the Stewards or the Board regarding the order of finish or any award of purse money made after the result of the race has been declared official shall affect the parimutuel payout or the distribution of any parimutuel pool.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1957. Daily Double.

(a) The Daily Double is a separate pari-mutuel pool established on two (2) races. The pool consists of amounts wagered on the selection of the winning horse of both races. It is not a parlay and has no connection with or relation to other pools conducted by the association or to rules governing the distribution of other pools.
(b) A valid Daily Double ticket shall be evidence of a binding contract between the holder of the ticket and the association and shall constitute an acceptance of Daily Double provisions and rules contained in this Article.
(c) The association shall distribute the net pool to holders of valid tickets that correctly selected the winner of both races. If no ticket selected the winner of both races, the net pool shall be distributed as a place pool among tickets that included the winner of the first race and tickets that included the winner of the second race.
(d) If no ticket included the winner of the first race the net pool shall be distributed equally among tickets that included the winner of the second race; and, if no ticket included the winner of the second race the net pool shall be distributed equally among tickets that included the winner of the first race.
(e) If no ticket included the winner of either race, the net pool shall be distributed equally among tickets selecting the second place finishers of both races.
(f) The association shall refund the entire pool if no ticket requires a payout or if the first race is cancelled.
(g) If the second race is cancelled after the first race has been completed, the net pool shall be distributed as a single price pool among tickets selecting the winner of the first race.
(h) Before the first race is run, any money wagered on a horse in either race that is scratched, excused by the stewards prevented from racing or is designated to run for purse only in accordance with Rule 1974 of this article shall be deducted from the pool and refunded.
(i) If, after the first race is completed, any horse is scratched, excused by the stewards or prevented from racing because of the failure of the stall doors of the starting gate to open in the second race, or designated to run in the second race for purse only in accordance with Rule 1974 of this article, all tickets including such horse(s) shall be deducted from the pool, and the pool(s), thus formed shall be distributed as a straight pool(s) among tickets combining the winner of the first race with such horse(s).
(j) If a dead heat occurs in either race the net pool is figured as a place pool. Example: Number eight (8) and five (5) dead heat in the first race, and number three (3) wins the second race, the pool would be divided and apportioned to tickets bearing eight (8) and three (3), and five (5) and three (3).

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 5-30-96; effective 6-29-96.
2. Amendment filed 7-12-11; effective 8-11-11.

1958. Quinella.

(a) The Quinella is not a parlay and has no connection with or relation to the win, place and show pools shown on the totalizator board. All tickets on the Quinella will be calculated in a separate pool.
(b) All Quinella tickets will be for the win and place combination only. When purchasing a Quinella ticket two horses are selected, which must finish 1-2, or 2-1. For example, if numbers 3 and 6 are selected they must come in 3, first and 6, second, or 6, first and 3, second.
(c) Entries or field horses in a race comprising the Quinella shall race as single wagering interests for the purposes of mutuel pool calculations and payouts to the public. If, in the event that any part of the entry

or the field is a starter, there shall be no refund to persons wagering on such entry or field. In the event any part of an entry or the field finishes first, the order of finish of all other horses making up such entry or field will be disregarded in determining which horse finished second for the purpose of this rule.
(d) Should any horse or horses entered in a Quinella race be scratched or excused by the Stewards after wagering has commenced or should any horse or horses be prevented from racing because of the failure to stall doors of the starting gate to open, all tickets including such horse or horses shall be deducted from the Quinella Pool and money refunded to the purchasers of tickets on the horse or horses so excused or prevented from racing.
(e) Should there be no tickets sold on the winning combination in a Quinella race, any and all Quinella tickets bearing the number of the individual win horse and any and all Quinella tickets bearing the number of the individual place horse shall be deemed winning tickets and the payout shall be calculated as a place pool.
(f) Should there be no tickets sold on the winning combination in a Quinella race and should there be no Quinella tickets sold bearing the number of the individual win horse, any and all Quinella tickets bearing the number of the individual place horse shall be deemed winning tickets and the payout shall be calculated as a win pool.
(g) Should there be no tickets on the winning combination in a Quinella race, and should there be no Quinella tickets sold bearing the number of the individual place horse, any and all Quinella tickets bearing the number of the individual win horse shall be deemed winning tickets and the payout shall be calculated as a win pool.
(h) Should there be no tickets on the winning combination in a Quinella race, and should there be no Quinella tickets sold bearing the number of the individual win horse, and should there be no Quinella tickets sold bearing the number of the individual place horse, the Quinella shall be deemed "No Contest" and all money in the Quinella shall be promptly refunded.
(i) Should, after an official start is effected, only one horse finish the Quinella race, the total money is figured as a win pool, with those who have picked that one horse in the race participating in the pool.
(j) Should a two horse dead-heat for win result in a Quinella race, the two horses involved in the dead-heat shall be winners of the Quinella race.
(k) Should a multiple dead-heat for win result in a Quinella race, all horses involved in the dead-heat shall be winners of the Quinella race and payouts figured accordingly.
Example: Should numbers 1, 3 and 5 dead-heat for win, the winning Quinella combinations would be 1-3, 1-5, 3-1, 3-5, 5-1 and 5-3. The net pool after deducting the amounts wagered on the winning combinations will be equally distributed in payout calculations on the winning combinations.
(l) Should a two-horse dead-heat for place result in a Quinella race, the total pool is calculated as a place pool.
(m) Should a multiple dead-heat for place result in a Quinella race, all combinations coupling the winning horse with the individual place horses shall be winners of the Quinella race and payouts calculated accordingly.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1959. Special Quinella (Exacta).
(a) The Special Quinella is not a parlay and has no connection with or relation to the win, place and show pools shown on the totalizator board. All tickets on the Special Quinella will be calculated in a separate pari-mutuel pool.
(b) A Special Quinella race shall be given a distinctive name to be selected by the association conducting

such race, such as "Perfecta" or "Exacta," subject to the approval of the Board.
(c) All Special Quinella tickets will be for the win and place combination only. Each person purchasing a Special Quinella ticket shall designate the exact order in which the first two horses will finish in a Special Quinella race. For example, if number 3 is selected to finish first and number 6 is selected to finish second, they must come in number 3, first and number 6 second in order to win.
(d) Should any horse or horses entered in a Special Quinella race be scratched or excused by the stewards after wagering has commenced or should any horse or horses be prevented from racing because of the failure of the stall doors of the starting gate to open, or if a horse is designated to run for purse only in accordance with Rule 1974 of this article, all tickets including such horse or horses shall be deducted from the Special Quinella Pool and money refunded to the purchasers of tickets on the horse or horses so designated, excused or prevented from racing.
(e) In the event that no ticket is sold on the winning combination of a Special Quinella Pool, the net pool shall be distributed equally among holders of tickets selecting the winning horse to finish first and holders of tickets selecting the second place horse to finish second.
(f) In the event of a dead-heat between two horses for first place, the net pool shall be calculated and distributed as a place pool to holders of the winning combinations.
(g) In the event of a dead-heat for second place, if no ticket is sold on one of the two winning combinations, the entire net pool shall be calculated as a win pool and distributed to those holding tickets on the other winning combinations. If no tickets combine the winning horse with either of the place horses in the dead-heat the Special Quinella Pool shall be calculated and distributed to holders of tickets designating the winning horse or either of the place horses according to their respective interest in the net pool.
(h) In the event of a dead-heat among three or more horses for first place, the net pool shall be calculated and distributed to holders of tickets designating any two of the horses participating in the dead-heat according to their respective interest in the net pool.
(i) In the event that no ticket is sold that would require distribution to any winner as above defined the Special Quinella shall be deemed "No Contest" and all money in the Special Quinella shall be promptly refunded.
NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.
2. Amendment filed 7-12-11; effective 8-11-11.

1960. Payout on Minus Pools.
The association must pay to the holder of any ticket or tickets entitling him to participate in the distribution of a parimutuel pool the amount wagered by such holder plus a minimum of 5% thereof. This requirement is unaffected by the existence of a parimutuel pool which does not contain sufficient money to distribute said 5% to all persons holding such tickets.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1961. Errors in Posted Payout.
If an error is discovered in the payout amounts posted on the public board it shall be corrected promptly

and an announcement thereof shall be made over the public address system. After the error is discovered the correct amounts shall be used in the payout.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1962. Payment for Errors.

If an error occurs in the payment amounts for parimutuel tickets which are cashed or entitled to be cashed and as a result of such error the parimutuel pool involved in the error is not correctly distributed among winning ticket holders, the following shall apply:

(a) In the event the error results in an over-payment to ticket holders the association shall be responsible for such payment.

(b) In the event the error results in an under-payment to ticket holders:

(1) The association shall accept timely claims for such under-payment, shall investigate such claims and shall pay each claim, or a part thereof, which it determines to be valid, and shall notify the claimant if his claim is rejected as invalid.

(2) Any person whose claim is rejected by the association may, within 15 days from the date he received the notice of rejection, request the Board to determine the validity of the claim. The failure to file such request with the Board within the said time shall constitute a waiver of the claim.

(3) A hearing shall be held on each such rejected claim timely filed with the Board. The Board shall give notice of such hearing to the claimant and the association. The Board may determine a claim to be valid, in whole or in part, and thereafter order the association to pay to the claimant the amount of the claim determined to be valid, or may deny the claim in whole or in part. Any such determination shall be final and binding on all parties.

(4) If no valid claims are presented for the amount of the under-payment or any part thereof, the amount of the under-payment shall be paid to the Board.

(c) Any claim not filed with the association within 30 days inclusive of the date on which the under-payment was discovered shall be deemed waived and the association shall have no further liability therefor.

1963. Emergency in Parimutuel Department.

Should any emergency arise in connection with the operation of the parimutuel department of the association, not covered by this Division, and an immediate decision is necessary, the manager of the parimutuel department shall make the decision and shall make an explanation in detail in a written report to the Board.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19440, Business and Professions Code.

HISTORY:
1. Amendment filed 12-23-96; effective 1-22-97.

1964. Cooperation of Parimutuel Department.

The parimutuel manager and the representatives of any totalizator company or service providing parimutuel equipment or service at any race meeting, shall cooperate fully in any investigation of the Board or in any proceedings before the Board relating to any parimutuel operation.

1965. Acceptance of Wagers from Outside Inclosure.
No association shall accept mailed or telephoned wagers nor knowingly accept any wager made by or for a person who is prohibited from participating in parimutuel wagering.

1966. Probable Odds or Morning Line.
The association shall calculate and print on the official program the probable win odds for each wagering interest in each race. Probable odds are subject to the approval of the stewards.

1967. Closing of Wagering in a Race.
Coincident with the start of a race, the stewards shall lock the parimutuel machines and shall close the wagering in the race, after which time no parimutuel tickets shall be sold for the race. The association shall maintain in good order an electrical or other system approved by the Board for locking the parimutuel machines.

HISTORY:
1. Amendment filed 4-11-78 effective 5-11-78.

1968. Wagering by Minors Prohibited.
No minor shall purchase or cash any parimutuel ticket. No employee of the association shall knowingly sell to or cash for a minor any parimutuel ticket.

1969. Wagering Prohibited.
No racing official or assistant racing official, pari-mutuel employee, totalizator employee, simulcast facility supervisor or assistant simulcast facility supervisor, official camera operator, assistant starter, receiving or detention barn staff member, or employee of the Board, while on duty at a race meeting or simulcast wagering facility, shall wager on the result of a race.

NOTE:
Authority cited: Sections 19420 and 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 10-4-90; effective 11-3-90.
2. Amendment filed 4-4-94; effective 5-5-94.
3. Amendment filed 12-10-01; effective 1-9-02.

1970. Wagering on Competing Horse.
No owner, authorized agent or trainer having a horse entered in a race shall wager on, or include in any wager, any other horse competing in such races to finish first regardless of whether such wager is "exotic" or "conventional." No employee or representative of an owner, authorized agent or trainer having a horse entered in a race shall wager on, or include in any wager, any other horse competing in such races to finish first regardless of whether such wager is "exotic" or "conventional."
(a) When an owner, authorized agent, trainer, jockey, or driver submits a winning parimutuel ticket for cash redemption it shall be prima facie evidence that the person submitting the ticket made the wager shown on the winning ticket.

NOTE:
Authority cited: Section 19590, Business and Professions Code.
Reference: Sections 19590 and 19593, Business and Professions Code.

HISTORY:
1. Amendment filed 1-27-92; effective 2-26-92.
2. Amendment filed 11-21-94; effective 12-21-94.

1971. Wagering by Jockey or Driver.

No jockeys or drivers shall make any wagers, or have any wagers made in their behalf, in any race in which they participate, except through the owners or trainers on the horses which they ride or drive. Any owners or trainers wagering for such jockeys or drivers shall maintain records of all such wagers and all other presents or other gratuities given any jockeys or drivers. Such records will be furnished to the stewards or the Board or its investigators upon demand.

NOTE:
Authority cited: Section 19590, Business and Professions Code.
Reference: Sections 19590 and 19593, Business and Professions Code.

HISTORY:
1. Amendment filed 10-26-94; effective 11-25-94.
2. Amendment filed 11-26-97; effective 12-26-97.

1972. Dead Heat.

When a race results in a dead heat, the dead heat shall not be run off. When two horses run a dead heat for first place, both win and place pools shall be distributed as place pools; when two horses run a dead heat for second, one-half the place pool shall be distributed among the holders of place tickets on the winning horse, and one-quarter of the place pool shall be distributed among the holders of place tickets on each of the two horses finishing second. In each such case, the show pool shall be distributed among the holders of tickets for show on the first three horses which finish. In the event of a dead heat for show, one-third of the show pool will be distributed among holders of tickets on the horses which dead heat for third.

1973. Purses for Dead Heats.

Purses, prizes or awards for a race in which a dead heat has occurred shall be divided equitably by determination of the stewards.

1974. Wagering Interest.

(a) A wagering interest is any one horse in a race.
(b) If a horse is removed from the wagering pool due to a totalizator error, or due to any other error, and neither the trainer nor the owner is at fault, the horse shall start in the race as a non-wagering interest for the purse only and shall be disregarded for pari-mutuel purposes.
(c) If a horse is removed from the wagering pool to start in a race as a non-wagering interest for purse only and is disregarded for pari-mutuel purposes, the circumstances shall be announced over the public address system at the time the action is taken and thereafter to adequately inform the public. The racing association shall also inform off-track wagering outlets at the time such action is taken.

NOTE:
Authority cited: Sections 19420, 19440, Business and Professions Code.
Reference: Section 19562, Business and Professions Code.

HISTORY:
1. Amendment filed 7-12-11; effective 8-11-11.

1975. Evidence of Pool Distribution.

In the event of loss by the association, its agent or employees, of any evidence of proper distribution of parimutuel pools, including, but not limited to, parimutuel tickets which have been cashed, outs ledgers, parimutuel machine recording registers, or cashier out-slips, the association shall file with the Board within 72 hours of the discovery of the loss a report and supporting affidavits. The Board may approve the report of loss without hearing or may hear the matter in its discretion.

1976. Unlimited Sweepstakes.

(a) The Unlimited Sweepstakes pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place and show pool shown on the totalizator, nor to the rules governing the distribution of such other pools.

(b) An Unlimited Sweepstakes pari-mutuel ticket shall be evidence of a binding contract between the holder of the ticket and the association and the said ticket shall constitute an acceptance of the Unlimited Sweepstakes provisions and rules contained in article 18.

(c) An Unlimited Sweepstakes may be given a distinctive name by the association conducting the meeting, subject to approval of the Board.

(d) The Unlimited Sweepstakes pari-mutuel pool consists of amounts contributed for a selection for win only in each of nine races designated by the association with the approval of the Board. Each person purchasing an Unlimited Sweepstakes ticket shall designate the winning horse in each of the nine races comprising the Unlimited Sweepstakes.

(e) The Unlimited Sweepstakes pari-mutuel pool shall be calculated as follows:

(1) One hundred percent (100%) of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the official winner in each of the nine races comprising the Unlimited Sweepstakes.

(2) In the event there is no pari-mutuel ticket properly issued which correctly designates the official winner in each of the nine races comprising the Unlimited Sweepstakes, twenty-five percent (25%) of the net amount in the pari-mutuel pool shall be distributed among the holders of pari-mutuel tickets which correctly designate the most official winners, but less than nine, in each of the nine races comprising the Unlimited Sweepstakes, and the remaining seventy-five percent (75%) of the net amount in the pari-mutuel pool shall not be distributed as provided above but shall be retained by the association as distributable amounts and shall be carried over and included in the Unlimited Sweepstakes pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed as provided in subsection (e)(1).

(f)(1) Except as provided in subsection (j) and subsection (l), should no distribution be made pursuant to subsections (e)(1), then the distributable pool and all monies accumulated therein shall be carried over until that amount equals or exceeds five million dollars ($5,000,000) or such lesser amount as the racing association designates to the Board at the time it files its license application with the Board.

(2) Once the pool and all monies accumulated therein equals or exceeds five million dollars, or such lesser amount designated by the racing association pursuant to subsection (f)(1), that amount shall be distributed on the next racing day as provided in subsection (e)(1); but if no holder of pari-mutuel tickets correctly designates the official winner in each of the nine races comprising the Unlimited Sweepstakes, then seventy-five percent (75%) of the pool shall be distributed among the holders of pari-mutuel tickets which correctly designate the most official winners, but less than nine, in each of the nine races comprising the Unlimited Sweepstakes. The remaining twenty-five percent (25%) of the pool shall be distributed to those holders of pari-mutuel tickets which correctly designate the next greatest number of official winners.

(g) In the event an Unlimited Sweepstakes ticket includes a selection in any one or more of the races comprising the Unlimited Sweepstakes that is scratched, excused or determined by the stewards to be a nonstarter in the race, or if in a race comprising the Unlimited Sweepstakes any selection is designated to run for purse only in accordance with Rule 1974 of this article, the actual favorite, as evidenced by the

amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting or the designated selection for all purposes, including pool calculations and payouts.

(h) In the event of a dead heat for win between two or more horses in any Unlimited Sweepstakes race, all such horses in the dead heat for win shall be considered as winning horses in the race for the purpose of calculating the pool.

(i)(1) In the event that all nine races comprising the Unlimited Sweepstakes are cancelled or declared as no contest, all pari-mutuel tickets held on the Unlimited Sweepstakes for that day or night shall be refunded and the Unlimited Sweepstakes shall be cancelled in its entirety for that day or night and any retained distributable amounts carried over from any prior Unlimited Sweepstakes pool pursuant to subsection (e)(2) shall be carried over to the next succeeding racing date of that meeting.

(2) In the event that fewer than nine, but no more than three, races comprising the Unlimited Sweepstakes are completed due to the cancellation of one or more races or the stewards declaring one or more races as no contest, the pool for that racing day shall be refunded and the Unlimited Sweepstakes shall be cancelled in its entirety as provided in subsection (i)(1).

(3) In the event that fewer than nine, but no fewer than four, races comprising the Unlimited Sweepstakes are completed due to the cancellation of one or more races or the stewards declaring one or more races as no contest, one hundred percent (100%) of the net amount in the pari-mutuel pool for that day or night, exclusive of any retained distributable amounts carried over from any prior Unlimited Sweepstakes pool pursuant to subsection (e)(2), shall be subject to distribution among holders of pari-mutuel tickets which correctly designate the most winners in the completed races of the Unlimited Sweepstakes. The retained distributable amounts carried over from any prior Unlimited Sweepstakes pool pursuant to subsection (e)(2) shall be carried over to the next succeeding racing date of that meeting.

(j)(1) Should no distribution be made pursuant to subsection (e)(1) on the last day of the association's race meeting, then the distributable pool and all monies accumulated therein shall be distributed on that day. Seventy-five percent (75%) of the pool shall be distributed among holders of pari-mutuel tickets which correctly designate the most official winners, but less than nine, in each of the nine races comprising the Unlimited Sweepstakes. The remaining twenty-five percent (25%) of the pool shall be distributed to those holders of pari-mutuel tickets which correctly designate the next greatest number of official winners.

(2) In the event that an association is unable to distribute the retained distributable amount carried over from any prior Unlimited Sweepstakes pool established pursuant to subsection (e)(2) by the end of its race meeting due to cancellation of the final day(s) or night(s) of racing or any other reason, the retained distributable amount shall be carried forward to the next race meeting having an Unlimited Sweepstakes at the same location and of the same breed of horse as the racing association that generated the retained distributable amount. The retained distributable amount shall be included in the Unlimited Sweepstakes pool for the first day or night of racing at the subsequent race meeting.

(k) No pari-mutuel ticket for the Unlimited Sweepstakes pool shall be sold, exchanged or cancelled after the time of the closing of wagering in the first of the nine races comprising the Unlimited Sweepstakes, except for such refunds on Unlimited Sweepstakes tickets as required by this regulation, and no person shall disclose the number of tickets sold in the Unlimited Sweepstakes pool or the number or amount of tickets selecting winners of Unlimited Sweepstakes races until such time as the stewards have determined the last race comprising the Unlimited Sweepstakes each day to be official.

(l) The racing association may, at its election, designate to the Board, at the time it files its license application with the Board, one or more racing days (nights) during its racing meeting on which the retained distributable amount carried over from any prior Unlimited Sweepstakes pool established pursuant to subsection (e)(2), shall be distributed as provided in subsection (f)(2), even though the retained amount is less than the amount specified in or designated by the racing association pursuant to subsection (f)(1).

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. New rule filed 10-2-85; effective 10-2-85.
2. Amendment filed 5-16-88; effective 6-15-88.
3. Amendment filed 12-23-96; effective 1-22-97.
4. Amendment filed 7-12-11; effective 8-11-11.

1976.8. Place Pick (n).

(a) The Place Pick (n) is a separate pari-mutuel pool established by the association on a designated number of races. The pool consists of amounts wagered on a horse to finish first or second in each of the races. It is not a parlay and has no connection with or relation to other pools conducted by the association, except for the provisions in subsection (e), or to rules governing the distribution of other pools.

(b) A valid Place Pick (n) ticket shall be evidence of a binding contract between the holder of the ticket and the association and shall constitute an acceptance of Place Pick (n) provisions and rules contained in this Article.

(c) A Place Pick (n) may be given a distinctive name by the association conducting the meeting, subject to Board approval.

(d) If a ticket in any Place Pick (n) race designates a selection that is scratched, excused or determined by the stewards to be a nonstarter in the race, or designates a selection that runs for purse only in accordance with Rule 1974 of this article, the association may substitute the actual favorite, which is determined by the amounts wagered in the win pool at the time of the start of the race, or may allow patrons the option of selecting an alternate wagering interest. The actual favorite or the alternate wagering interest will be substituted for the non-starting selection or the selection designated to run for purse only for all purposes.

(e) In a dead heat for win between two or more horses, only the horses in such dead heat shall be considered winning horses.

(2) Except as provided in subsection (e), a dead heat for second between two or more horses, all such horses together with the horse which finished first shall be considered winning horses.

(f) The association shall distribute the net pool to holders of valid tickets that correctly selected the most first or second place finishers.

(g) All tickets shall be refunded if all races comprising the Place Pick (n) are cancelled or declared as no contest. The entire pool shall be refunded if less than four races are completed and if four or more races are completed the net pool shall be distributed pursuant to subsection (f).

(h) After wagering closes on the first race comprising the Place Pick (n) no ticket shall be sold, exchanged or cancelled. No person shall disclose the number of tickets sold in the Place Pick (n) or the number or amount of tickets that selected winners of Place Pick (n) races until the stewards declare the last race official.

(i) If the racing surface changes from turf to dirt or dirt to turf in any race of a Place Pick (n), and such change is not announced to the public before the close of wagering on the Place Pick (n) pool, all wagers on such race shall be considered winning wagers for the purposes of the Place Pick (n).

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Sections 19593 and 19594, Business and Professions Code.

HISTORY:
1. New rule filed 6-4-92; effective 7-4-92.

2. Amendment filed 6-7-94; effective 7-7-94.
3. Amendment filed 7-19-96; effective 8-18-96.
4. Amendment filed 9-26-06; effective 10-25-06.
5. Amendment filed 7-12-11; effective 8-11-11.

1976.9. Pick (n) Pool.

(a) The Pick (n) requires selection of the first-place finisher in each of a number of races designated by the association. The association shall designate the percentage of the net pool considered the major share, and the percentage of the net pool considered the minor share, if any. The number of races comprising a Pick (n) must be at least four but no more than ten. Subsequent changes to the Pick (n) shall be requested in writing by the association. The Board or its designated representative shall respond in writing to such requests within five working days of their receipt at Board headquarters.

(b) The major share of the net Pick (n) pool, along with the Pick (n) carryover, shall be distributed to ticket holders that selected the first-place finisher in each of the Pick (n) races, based upon the official order of finish, and the minor share of the net Pick (n) pool shall be distributed as a win pool to ticket holders whose selection finished first in the second greatest number of Pick (n) races; if there are no wagers selecting the first place finisher in each of the Pick (n) races, then:

(1) The minor share of the net pool shall be distributed as a win pool to ticket holders whose selection finished first in the greatest number of Pick (n) races, and

(2) The major share of the net Pick (n) pool shall be retained by the association and added to the corresponding Pick (n) pool of the next performance. The additional Pick (n) pool resulting from such a carryover shall be termed the “Pick (n) carryover.”

(c) In a dead heat for first in any of the Pick (n) races, all horses in the dead heat for win shall be considered winning horses to calculate the pool.

(d) If a wagering interest in any of the Pick (n) races is scratched, or is designated to run for purse only in accordance with Rule 1974 of this article, the association may substitute the favorite for the scratched or designated wagering interest, determined by total amounts wagered in the win pool at the close of wagering on that race, or allow patrons the option of selecting an alternate wagering interest. The favorite or alternate wagering interest shall be substituted for the scratched wagering interest, or horse designated to run for purse only, for all purposes. If the association elects to substitute the favorite and the win pool total is identical for two or more horses, the horse with the lowest program number is used. The totalizator shall produce written reports showing each of the wagering combinations with substituted wagering interests that became winners as a result of the substitution, in addition to the normal winning combination, at the end of each race where substitutions occur.

(e) The Pick (n) pool shall be canceled and all Pick (n) wagers for the individual performance shall be refunded if:

(1) Three or more races included as part of a Pick 4, Pick 5 or Pick 6 are canceled or declared no contest; or

(2) Four or more races included as part of a Pick 7, Pick 8 or Pick 9 are canceled or declared no contest; or

(3) Five or more races included as part of a Pick 10 are canceled or declared no contest.

(f) If at least one race included as part of a Pick (n) is canceled or declared no contest, but fewer than the number specified in subsection (e), the net pool shall be distributed as a win pool to ticket holders whose selection finished first in the greatest number of Pick (n) races for that performance. Such distribution shall include the portion ordinarily retained for the Pick (n) carryover but not the carryover from previous performances.

(g) The Pick (n) carryover may be capped at an amount designated by the association, with Board approval. If, at the close of any performance, the carryover equals or exceeds the designated cap, it will be frozen until it is won or distributed under other provisions of this rule. After the carryover is frozen, 100% of the net pool shall be distributed to ticket holders whose selection finished first in the greatest number of Pick (n) races for that performance.

(h) Permission to distribute the Pick (n) carryover on a specific date and performance shall be obtained from the Board. The mandatory payout request must contain the intended date and performance for the distribution.
(i) If the Pick (n) carryover is designated for distribution on a specified date and performance in which no wager selects the first-place finisher in each of the Pick (n) races, the entire pool including the carryover shall be distributed as a win pool to ticket holders whose selection finished first in the greatest number of Pick (n) races. The Pick (n) carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

(1) With written approval from the Board as provided in subsection (h); or
(2) With written approval from the Board when there is a change in the carryover cap, a change from one type of Pick (n) wagering to another, or when the Pick (n) is discontinued; or
(3) On the closing performance of the meet or split meet.

(j) If the Pick (n) carryover must be carried over to the corresponding Pick (n) pool of a subsequent meet, it shall be deposited in an interest-bearing account approved by the Board. The Pick (n) carryover plus accrued interest shall then be added to the net Pick (n) pool of the following meet on a date and performance designated by the association, with Board approval.
(k) With Board approval, the association may contribute to the Pick (n) carryover a sum of money up to the amount of any designated cap.
(l) No ticket for the Pick (n) pool shall be sold, exchanged or canceled after the close of wagering in the first race comprising the Pick (n), except for refunds required by this rule.
(m) Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of live tickets remaining is prohibited. The totalizator will be programmed to suppress all information related to Pick (n) wagering activity until the conclusion of the final race except for the following:

(l) Total amount of the net pool at the close of Pick (n) wagering.
(2) Information regarding possible Pick (n) payouts for each of the runners when the last race of the Pick (n) pool is the only race remaining to be run.

(n) If the racing surface changes from turf to dirt or dirt to turf in any race of a Pick (n) pool, and such change was not announced to the public before the close of wagering on the Pick (n) pool, all wagers on such race shall be considered winning wagers for the purposes of the Pick (n) pool.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Sections 19440, 19590 and 19593, Business and Professions Code.

HISTORY:
1. New rule filed 10-10-91; effective 10-10-91.
2. Amendment filed 9-21-94; effective 10-21-94.
3. Amendment filed 10-18-99; effective 11-17-99.
4. Amendment filed 8-17-05; effective 8-17-05.
5. Amendment filed 7-12-11; effective 8-11-11.

1977. Pick Three.
(a) The Pick Three is a separate pari-mutuel pool established on three consecutive races. The pool consists of amounts wagered on the winning horse in each of the races. It is not a parlay and has no connection with or relation to other pools conducted by the association, or to rules governing the distribution of other pools.
(b) A valid Pick Three ticket shall be evidence of a binding contract between the holder of the ticket and the association and shall constitute an acceptance of Pick Three provisions and rules contained in this article.
(c) The association shall distribute the net pool to holders of valid tickets that correctly selected the

winners in all three races.
(d) In a dead heat for win between two or more horses in any of the Pick Three races, all such horses shall be considered winning horses in that race for calculating the pool. The payout shall reflect the proportionate amount of money wagered on each winning combination.
(e) If no ticket selected the winner in all three races, the net pool shall be paid for tickets that selected the winner in any two races; and if no ticket selected two winners the net pool shall be paid for tickets that selected the winner of any one race. The association shall refund the entire pool if no ticket selected the winner of any one race.
(f) If one of the races is cancelled, the net pool shall be distributed as provided in subsection (e). If more than one race is cancelled the association shall refund the entire pool.
(g) If a wagering interest is scratched (which hereinafter includes being declared a non-starter) from any leg of the Pick Three prior to the running of the first leg, or if a wagering interest is designated to run for purse only in accordance with rule 1974 of this article, all wagers containing such scratched or designated wagering interests shall be refunded.
(h) If a wagering interest is scratched or designated to run for purse only from the second leg after the start of the first leg, a consolation payout shall be computed for those wagers combining the winners of the first and third legs with such scratched or designated horse(s) as follows: The amount represented by wagers on combinations involving horse(s) scratched or designated to run for purse only from the second leg shall be deducted from the gross pool. The resulting pool, net of takeout, shall be distributed as a win pool among tickets combining the winners of the first and third legs with horse(s) designated to run for purse only or scratched from the second leg.
(i) If a wagering interest is designated to run for purse only or scratched from the third leg after the start of the second leg, a consolation payout shall be computed for those wagers combining the winners of the first and second legs with such designated or scratched horse(s) as follows: The amount represented by wagers on combinations involving horse(s) designated to run for purse only or scratched from the third leg shall be deducted from the gross pool. The resulting pool, net of takeout, shall be distributed as a win pool among tickets combining the winners of the first and second legs with horse(s) designated to run for purse only or scratched from the third leg.
(j) If wagering interests are designated to run for purse only or scratched from both the second and third legs after the start of the first leg, a consolation payout shall be computed for those wagers combining the winner of the first leg with horse(s) designated to run for purse only or scratched from both the second and third legs as follows: The amount wagered on the winner of the first leg combined with all other horse(s) designated or scratched from the second and third legs shall be deducted from the gross pool. The resulting pool, net of takeout, shall be distributed as a win pool among tickets combining the winner of the first leg with horse(s) designated to run for purse only or scratched from both the second and third legs.
(k) After wagering closes on the first race of the Pick Three no ticket shall be sold, exchanged or cancelled. No person shall disclose the number of tickets sold in the Pick Three races or the number or amount of tickets that selected winners of Pick Three races until the stewards declare the last race official. After the second of the three races, the association may display potential distributions dependent upon the outcome of the third race.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. New rule filed 10-29-86; effective 10-29-86.
2. Amendment filed 11-1-95; effective 11-1-95.
3. Amendment filed 6-3-96; effective 7-3-96.
4. Amendment filed 12-05-05; effective 1-4-06.

5. Amendment filed 7-12-11; effective 8-11-11.

1978. Select Four.

(a) The Select Four pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place and show pool shown on the totalizator board, nor to the rules governing the distribution of such other pools.

(b) A valid Select Four ticket shall be evidence of a binding contract between the holder of the ticket and the racing association, and the said ticket shall constitute an acceptance of Select Four provisions and rules contained in article 18.

(c) A Select Four may be given a distinctive name to be selected by the association conducting such races, such as "PICK 4", subject to the approval of the Board.

(d) The Select Four pari-mutuel pool consists of amounts contributed for a selection for win only in each of four races designated by the association with the approval of the Board. Each person purchasing a Select Four ticket shall designate the winning horse in each of the four races comprising the Select Four.

(e) The net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of tickets which correctly designate the winners in all four races comprising the Select Four.

(f) If no ticket is sold combining the four winners of the Select Four, the net amount in the pari-mutuel pool shall be distributed among the holders of tickets which include the winners of any three of the four races comprising the Select Four.

(g) If no ticket is sold combining at least three winners of the Select Four, the net amount in the pari-mutuel pool shall be distributed among holders of tickets which include the winner of any two races comprising the Select Four.

(h) If no ticket is sold combining at least two winners of the Select Four, the net amount in the pari-mutuel pool shall be distributed among holders of tickets which include the winner of any one race comprising the Select Four.

(i) If no ticket is sold that would require distribution of the Select Four pool to a winner under this rule, the association shall make a complete and full refund of the Select Four pool.

(j) If for any reason one of the races comprising the Select Four is cancelled, the net amount of the pari-mutuel pool shall be distributed as provided above in subsections (f), (g), (h) and (i).

(k) If for any reason two or more of the races comprising the Select Four are cancelled, a full and complete refund will be made of the Select Four pool.

(l) In the event a Select Four ticket includes a selection in any one or more of the races comprising the Select Four that is scratched, excused or determined by the stewards to be a non-starter in the race, or if the Select Four ticket includes a selection that is designated to run for purse only in accordance with Rule 1974 of this article, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the non-starting or designated selection for all purposes, including pool calculations and payouts.

(m) In the event of a dead heat for win between two or more horses in any Select Four race, all such horses in the dead heat for win shall be considered as winning horses in the race for the purpose of calculating the pool.

(n) No pari-mutuel ticket for the Select Four pool shall be sold, exchanged or cancelled after the time of the closing of wagering in the first of the four races comprising the Select Four, except for such refunds on Select Four tickets as required by this regulation, and no person shall disclose the number of tickets sold in the Select Four pool or the number or amount of tickets selecting winners of Select Four races until such time as the stewards have determined the last race comprising the Select Four to be official. Notwithstanding the above, at the conclusion of the third of the four races comprising the Select Four, an association may with the approval of the Board display potential distribution to ticket holders depending upon the outcome of the fourth race of the Select Four.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. New rule filed 9-7-88; effective 9-12-88.
2. Amendment filed 12-23-96; effective 1-22-97.
3. Amendment filed 7-12-11; effective 8-11-11.

1979. Trifecta.

(a) The Trifecta is a separate pari-mutuel pool established on a single race. The pool consists of amounts wagered on horses to finish first, second and third in that exact order. It is not a parlay and has no connection with or relation to other pools conducted by the association or to rules governing the distribution of other pools.
(b) A valid Trifecta ticket is evidence of a binding contract between the holder of the ticket and the association and constitutes acceptance of Trifecta provisions and rules contained in this article.
(c) No Trifecta pool shall be established for a race with less than four wagering interests scheduled to start when the Trifecta pool opens for wagering in California.
(d) After the stewards' official order of finish is posted, the association shall distribute the net pool to holders of valid tickets that correctly selected the first, second and third finishers.
(e) In a dead heat for first or second position, only tickets selecting the correct order of finish for the first three finishers shall be winning tickets; that is, two horses in a dead heat for first shall be first and second, in either position; and two horses in a dead heat for second shall be second and third, in either position. In a triple dead heat for first, the three horses shall be the winning combination regardless of the order of selection. In a triple dead heat for second, tickets with the correct first selection and two of the three horses shall be winning tickets. In a triple dead heat for third, tickets with the correct first and second selection and one of the three horses shall be winning tickets.
(f) If no ticket correctly selected the first, second and third position, the net pool shall be paid for tickets that selected first and second. If no ticket selected first and second the net pool shall be paid for tickets that selected first. The association shall refund the entire pool if no ticket selected first.
(g) If the stewards scratch a horse or designate a horse to run for purse only in accordance with Rule 1974 of this article before wagering is closed, the association may exchange any ticket that includes the scratched or designated horse. After wagering is closed, tickets selecting a scratched or designated horse, or a horse the stewards declared a nonstarter, shall be eliminated from the pool and the purchase price refunded.

NOTE:
Authority cited: Sections 19440, and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. New rule filed 3-15-91; effective 3-15-91.
2. Repealer of subsections (l) and (m) filed 1-27-92; effective 1-27-92.
3. Amendment of subsection (e) and repealer of subsection (k) filed 6-9-92; effective 7-8-92.
4. Amendment filed 6-5-96; effective 6-5-96.
5. Amendment filed 9-30-99; effective 9-30-99.
6. Amendment filed 12-11-01; effective 1-10-02.
7. Amendment filed 7-21-09; effective 8-20-09.
8. Amendment filed 7-12-11; effective 8-11-11.

1979.1. Superfecta.

(a) The Superfecta is a separate pari-mutuel pool established on a single race. The pool consists of amounts wagered on horses to finish first, second, third, and fourth in that exact order. It is not a parlay and has no connection with other pools conducted by the association or to rules governing the distribution of other pools.

(b) A valid Superfecta ticket is evidence of a binding contract between the holder of the ticket and the association and constitutes acceptance of Superfecta provisions and rules contained in this article.

(c) No Superfecta pool shall be established for a race with less than six wagering interests scheduled to start when the Superfecta pool opens for wagering in California.

(d) After the stewards' official order of finish is posted, the association shall distribute the net pool to holders of valid tickets that select the first, second, third, and fourth finishers.

(e) In a dead heat for first, second, or third position, only tickets selecting the correct order of finish for the first four finishers shall be winning tickets; that is, two horses in a dead heat for first shall be first and second, in either position; two horses in a dead heat for second shall be second and third, in either position; and two horses in a dead heat for third shall be third and fourth, in either position. In a dead heat for fourth, tickets with the correct first, second, and third selection and one of the two horses in the dead heat for fourth shall be winning tickets. In a triple dead heat for first, tickets selecting the three horses in the dead heat, regardless of the order of selection, and the horse finishing fourth shall be winning tickets. In a triple dead heat for second, tickets with the correct first selection and all three horses in the dead heat shall be winning tickets. In a triple dead heat for third, tickets with the correct first and second selection and two of the three horses in the dead heat shall be winning tickets. In a triple dead heat for fourth, tickets with the correct first, second, and third selection and one of the horses in the dead heat shall be winning tickets.

(f) If no ticket selects the first, second, third, and fourth position, the net pool shall be paid for tickets that select first, second, and third. If no ticket selects first, second, and third position, the net pool shall be paid for tickets that select first and second. If no ticket selects first and second, the net pool shall be paid for tickets that select first. The association shall refund the entire pool if no ticket selects first.

(g) If the stewards scratch a horse or designate a horse to run for purse only in accordance with Rule 1974 of this article before wagering is closed, the association may exchange any ticket that includes the scratched or designated horse. After wagering is closed, tickets selecting a scratched or designated horse, or a horse the stewards declared a nonstarter, shall be eliminated from the pool and the purchase price refunded.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19590, Business and Professions Code.

HISTORY:
1. New rule filed 9-16-99; effective 10-16-99.
2. Amendment filed 9-18-03; effective 10-18-03.
3. Amendment filed 7-21-09; effective 8-20-09.
4. Amendment filed 7-12-11; effective 8-11-11.

TITLE 4, DIVISION 4, ARTICLE 19. POLICING THE PUBLIC INCLOSURE

1980. Persons Prohibited from Wagering.

(a) The following classes of persons are prohibited from participating in pari-mutuel wagering and from being present within any inclosure during a recognized race meeting:

(1) Persons who have engaged in any act of or who have been convicted of bookmaking or illegal wagering.

(2) Persons who have engaged in any act of or who have been convicted of touting.

(3) Persons who have engaged in or who have been convicted of an illegal, corrupt or fraudulent act in connection with horseracing or pari-mutuel wagering.
(4) Persons who have engaged in any act of or who have been convicted of theft from the person (pickpockets).
(5) Persons who have submitted to be cashed any altered, raised, forged or counterfeit pari-mutuel ticket.
(6) Persons whose license has been revoked by the Board or by any State Horse Racing Commission.

(b) For the purposes of this section:
(1) Bookmaking includes, but is not limited to, any act prohibited by Section 337a of the Penal Code or by Section 19595 of the Business and Professions Code.
(2) Illegal wagering includes, but is not limited to, any act prohibited by Sections 319 through 336, inclusive, of the Penal Code.
(3) Touting includes any act prohibited by Section 337.1 of the Penal Code; and further includes offering to furnish information concerning a selection of a horse for wagering purposes, or predicting the outcome of a race for wagering purposes, in exchange for a pari-mutuel ticket or other consideration which is contingent on the outcome of the race; or soliciting compensation or a gratuity either before or after a race for any racing information, racing selection or racing prediction for wagering purposes, except in the manner permitted by law.
(4) Corrupt or fraudulent acts include, but are not limited to, any act prohibited by Sections 337b through 337i, inclusive, 337.3, 337.6, 337.7 or 337.8 of the Penal Code.

NOTE:
Authority cited: Section 19572, Business and Professions Code.
Reference: Sections 19410, 19572, 19574 and 19595, Business and Professions Code; and Sections 319-336, 337a, 337.1, 337.3, 337.6, 337.7 and 337.8, Penal Code.

HISTORY:
1. Amendment of section and new Note filed 4-11-94.
2. Repealer and new subsection (a)(6) and repealer of subsections (a)(7) and (a)(8) filed 1-24-97.
3. Change without regulatory effect amending section filed 12-6-99.

1981. Duty to Exclude Prohibited Persons.
Racing associations, fairs and simulcast wagering facilities shall exclude and eject from their inclosures persons who are prohibited from participating in pari-mutuel wagering and from being present within any inclosure. No racing association, fair or simulcast wagering facility shall knowingly issue any credential to or admit such persons and any admission ticket or credential is void if held by such persons.

NOTE:
Authority cited: Sections 19572 and 19574, Business and Professions Code.
Reference: Sections 19410, 19572 and 19574, Business and Professions Code.

HISTORY:
1. New Note and amendment of section heading and text filed 3-29-94; operative 4-28-94.
2. Change without regulatory effect amending section filed 12-6-99.

1982. Notice of Exclusion or Ejection.
The Association shall inform any person excluded or ejected from its inclosure of the reason for the ejection or exclusion, and shall notify such person of the provisions of this article. Notification may be made by the delivery to the person excluded or ejected of a copy of this article. The Association shall

immediately notify the Board on the form prescribed by the Board, the name of any person ejected or excluded, the reason for the ejection or exclusion, and such other information as the Board may require.

1983. Application for Hearing.
Any person ejected or excluded from any racing inclosure may file a written application with the Board for a hearing on the question of whether he is within any of the classes of persons who are prohibited from participating in pari-mutuel wagering and from being present within any racing inclosure. Applications must be on the form prescribed by the Board, briefly state the circumstances of the ejection or exclusion, and clearly identify and be signed by the applicant.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19440 and 19573, Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending section and adding new Note filed 12-6-99.

1984. Place and Notice of Hearing.
The application for hearing on exclusion or ejection shall be set for hearing before the Board, a referee designated by the Board, or before a Hearing Officer of the Office of Administrative Hearings. The Board shall mail to the applicant and any other interested party notice of the time and place of the hearing.

1985. Waiver of Hearing.
If an applicant fails to appear at the time and place set for hearing, the Board may take whatever action it deems appropriate.

1986. Determination of Rehabilitation.
(a) If the Board finds that the applicant is within one of the classes of persons who are prohibited from participating in pari-mutuel wagering and from being present within any racing inclosure, the Board may, in its discretion, make a further finding that the applicant's presence within the public inclosure would not be against the best interests of horse racing, and an exception should be made authorizing him to participate in pari-mutuel wagering in the future.
(b) If the applicant holds a current CHRB occupational license, the Board shall make a separate determination regarding the applicant's fitness for continued licensing. The determination shall be made at the same time as any findings made under subsection (a) of this rule.

NOTE:
Authority cited: Sections 19440, 19572 and 19573, Business and Professions Code.
Reference: Sections 19420, 19440, 19461, 19572, 19573 and 19574, Business and Professions Code.

HISTORY:
1. Amendment of section and new Note filed 8-10-93; operative 8-10-93.
2. Change without regulatory effect amending section filed 12-6-99.

1987. Notice of Findings and Determinations After Hearing.
Upon the conclusion of the hearing, the referee or Hearing Officer shall make findings and determinations on the issues and submit recommendations to the Board. The Board shall consider such findings, determinations and recommendations and shall render its decision. The Board shall notify the applicant in writing of each determination and the decision made by it, and shall enter its decision in its minutes.

1988. Appearance and Evidence at Hearing.
At the hearing before the Board, its referee or Hearing Officer, the applicant is entitled to appear in person and/or by counsel, and such evidence as is necessary and proper to resolve the issues presented shall be received. The applicant may file a written answer or statement in which he may controvert any point at issue and may present any argument or evidence for consideration. Any association may appear as a party of interest in the matter and at the hearing if it so desires.

1989. Removal or Denial of Access.
(a) An association, fair or simulcast facility may remove from its premises any person who:
(1) Is disorderly as defined in Section 647 of the Penal Code.
(2) Interferes with any racing operation.
(3) Solicits or engages in any act of prostitution.
(4) Begs, is boisterous, or is otherwise offensive to other persons.
(5) Commits any public offense.
(6) Is intoxicated.
(b) Any person may be removed or denied access for any reason deemed appropriate by the association, fair or simulcast facility notwithstanding the fact that such reason is not specified in the rules.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19440, Business and Professions Code; and Section 647, Penal Code.

HISTORY:
1. Amendment of section heading and section and new Note filed 1-24-97; operative 2-23-97.

TITLE 4, DIVISION 4, ARTICLE 20. CONFLICT OF INTEREST

2000. General Provisions.
The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission (FPPC) has adopted a regulation, 2 California Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the FPPC to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the FPPC along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the California Horse Racing Board.

Designated employees shall file statements of economic interests with the agency. Upon receipt of the statements of the Commissioners, the agency shall make and retain a copy and forward the original of these statements to the FPPC. Statements for all other designated employees will be retained by the agency.

NOTE:
Authority cited: Section 87306, Government Code.
Reference: Sections 87300-87302 and 87306, Government Code.

HISTORY:
1. New article 20 (sections 2000-2012, consecutive) filed 5-26-77; effective thirtieth day thereafter. Approved by Fair Political Practices Commission 4-20-77.

2. Repealer of article 20 (sections 2000-2012) and new article 20 (section 2000 and Appendix) filed 2-26-81; effective thirtieth day thereafter. Approved by Fair Political Practices Commission 12-1-80.
3. Amendment of section and Appendix filed 6-23-93; operative 6-23-93. Submitted to OAL for printing only. Approved by Fair Political Practices Commission 5-12-93.
4. Amendment of Appendix filed 8-19-94; operative 9-19-94. Submitted to OAL for printing only. Approved by Fair Political Practices Commission 7-8-94.
5. Amendment of Appendix filed 6-2-97; operative 7-2-97. Approved by Fair Political Practices Commission 4-10-97.
6. Amendment of section and Appendix filed 5-17-99; operative 6-16-99. Approved by Fair Political Practices Commission 3-29-99.
7. Amendment of Appendix filed 5-22-2001; operative 6-21-2001. Approved by Fair Political Practices Commission 4-6-2001.
8. Amendment of Appendix filed 9-2-2003; operative 10-2-2003. Approved by Fair Political Practices Commission 7-7-2003
9. Amendment of Appendix filed 11-17-2015; operative 12-17-2015 pursuant to Cal. Code Regs., tit. 2, section 18750(*l*). Approved by Fair Political Practices Commission 10-20-2015 and submitted to OAL for filing and printing only pursuant to Cal. Code Regs., tit. 2, section 18750(k).

TITLE 4, DIVISION 4, ARTICLE 21. THE STANDARDBRED SIRES STAKES PROGRAM

2022. Delegation of Authority and Administration.

The organization recognized by the Board as the registry of California-bred standardbred horses and the organization recognized by the Board as representing standardbred horse owners and trainers are delegated jointly the authority to administer the California Standardbred Sires Stakes Program and the recognized organizations are mutually responsible to the Board for administration of the program. The recognized organizations shall elect or appoint jointly a person who shall administer the Sires Stakes Program. The administrator shall be authorized to file claims for administrative expenses from funds appropriated for such purposes, shall file with the Board the official results of Sires Stakes races for payment of purses and awards, shall file on December 31 of each year an annual report of operations of the California Standardbred Sires Stakes Program, and is authorized to accept nomination and other fees for deposit in the State Treasury.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19401 and 19440, Business and Professions Code.

HISTORY:
1. Repealer and new section filed 1-9-81; effective thirtieth day thereafter.

2024. Standardbred Stallion Registry.

A standardbred Stallion Registry shall be maintained by the Board or its designee and no standardbred stallion nor the offspring of such stallion shall be eligible for participation in the California Standardbred Sires Stakes Program unless registered with the said official Stallion Registry.

2025. Nomination of Stallions.

Standardbred stallions shall be nominated annually to the official registry by application in such form prescribed by the Board accompanied by a nomination fee determined by the Board and by a true and correct copy of the Registration Certificate issued to the nominated stallion by the United States Trotting Association.
(a) The eligibility and nomination of a previously registered stallion may be renewed upon the submission of a nomination application form and the nomination fee determined by the Board.

(b) No person shall be authorized to nominate a standardbred stallion unless the nominator is duly licensed by the Board as a horse owner.
(c) A stallion shall be nominated to the official registry prior to the time he is first used for breeding purposes in California.
(d) On or after November 30, 1977, the closing date each year for nominations of stallions for the succeeding breeding season shall be November 30th of each calendar year.

2026. Grounds for Refusal of Nomination.
In addition to any other valid ground or reason, the Board or its designee may refuse to accept a nomination of a standardbred stallion for the California Sires Stakes Program when:
(a) The stallion is used for breeding purposes outside the State of California at any time during the season for which he is to be or has been nominated.
(b) The stallion does not meet the requirements for nomination or is nominated after the published closing date for such nominations.
(c) The nominator of a stallion is not licensed as a Horse Owner.
(d) The nominator of a stallion is not the owner in fact of the said stallion and is not authorized by power of attorney to act on behalf of the true owner or owners of the said stallion.
(e) The nominator of a stallion has broken or violated any rule or condition regarding participation in the California Standardbred Sires Stakes Program as provided in this article.

2027. Grounds for Termination of Eligibility.
In addition to any other valid ground or reason, the Board or its designee may terminate the eligibility of a nominated standardbred stallion after having given notice of such termination to the nominator of the stallion and after giving such nominator the opportunity to be heard, when:
(a) The stallion is used for breeding purposes at any place outside the State of California during the breeding season for which he is nominated and registered.
(b) The nominator or true owner or owners of the stallion fail to comply with any rule or condition of the nomination or registry requirements.
(c) The nominator, true owner or owners, engage in any acts in connection with the breeding of horses which are of themselves fraudulent or grossly negligent or misrepresentative, or otherwise inimical to the conduct of the California Standardbred Sires Stakes Program.

2028. Publication of Registered Stallions.
The Board or its designee shall publish a complete list of standardbred stallions as registered with the Board or its designee on or before the 15th of December of the calendar year preceding each breeding season in such form as the Board shall determine. The fact that the name or identity of a standardbred stallion is not published shall not affect the nomination or eligibility of such stallion nor shall it impose any liability on the Board or its designee in the absence of malice or intent to deprive a nominated stallion its eligibility.

2029. Ownership of Stallion for Award Purposes.
An award made to any stallion pursuant to the California Standardbred Sires Stakes Program shall be paid to the person designated on the application for nomination filed with the Board or its designee and payment to such designated person shall relieve the Board or its designee of any further liability for payment. Any required notice or any service of process shall be made to such designated person and shall be considered as service or notice to all partners, shareholders in interest, or others holding any financial interest in such stallion. The Board or its designee may withhold any award pending a determination of eligibility and shall give notice of the withholding of award and the reasons therefor.

2030. Breeding Contracts.
All breeding contracts with registered standardbred stallions shall contain therein a statement as a

condition of the contract that the stallion has not left and will not leave the State of California for breeding purposes during the breeding season of the contract. The Board or its designee may demand a true and correct copy of any breeding contract to assure that any such contract complies with the conditions and rules of this article.

2032. California Residency Requirement.

For the purpose of this article, the term California resident shall mean a person who meets one or more of the following requirements:

(a) A person registered to vote in California.

(b) A person whose principal place of residence has been within the State of California for the preceding six consecutive months.

(c) A person who has been physically present in California for ninety days or more and who intends to remain in California and to establish a principal place of residence in this State.

2033. California-Owned Horse.

A "California-Owned" horse shall mean a horse which is owned by a California resident as defined in this article, or is owned by a partnership, corporation, limited liability company (Corporations Code section 17000 et seq.) or syndicate when all persons having any financial interest in such partnership, corporation, limited liability company or syndicate are California residents, on the first day of January of the year the horse is two-years old and remains in such ownership up to and including the day such horse competes in a California-Owned race.

NOTE:
Authority cited: Sections 19420 and 19619, Business and Professions Code.
Reference: Sections 19440 and 19619, Business and Professions Code.

HISTORY:
1. Amendment of section and new Note filed 8-14-98; operative 9-13-98.

2034. Official Registry.

The California Harness Horse Breeders Association is recognized as the Official Stallion Registry under Rule 2024 of this division. All funds coming into the control of the official registry for nominating, sustaining or entry fees shall be transmitted to the Board on the first day of each month for deposit into the "California Standardbred Sires Stakes Fund" of the General Fund.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19440, 19562 and 19566.6, Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending section and adding new Note filed 12-6-99.

2035. California Standardbred Sires Stakes Guide.

The Board shall cause to be published an Annual Stakes Guide summarizing the conditions for the California Standardbred Sires Stakes races. Any such race under the conditions thereof as published shall be conducted by the specified harness racing association.

TITLE 4, DIVISION 4, ARTICLE 22. HORSEMEN'S ORGANIZATIONS AND AGREEMENTS

2040. Horsemen's Organizations for Owners or Trainers.

The Board recognizes the need for horse owners and trainers to negotiate and to covenant with racing associations regarding the conditions for each race meeting, the distribution of commissions and purses not governed by statutory distribution formulas, and other matters relating to welfare, benefits, and prerogatives of the parties to the agreement. To fulfill its duties to the public in authorizing the conduct of an uninterrupted, orderly race meeting during the licensed term of such meetings, the Board shall acknowledge one respective horsemen's organization that represents horse owners and trainers of each separate breed of racehorse that competes in such meetings except Thoroughbreds. The Board shall acknowledge separate horsemen's organizations for owners and trainers of Thoroughbred racehorses as defined in Section 19613 of the Business and Professions Code.

(a) The Board shall acknowledge only one horsemen's organization for each breed of racehorse, except Thoroughbreds, as the organization empowered exclusively to contract with racing association for the conduct of a race meeting. No person shall serve as an officer or director of an acknowledged horsemen's organization, other than in an honorary capacity, at the same time such person serves as an officer or director of a licensed racing association or as an officer or director of any entity which is a principal shareholder of any licensed racing association.

(b) Upon the filing with the Board of a notice of intent by an alternate horsemen's organization whose membership is 1500 members or more, the alternate horsemen's organization, shall have not more than six (6) months from the date of filing to acquire, on a petition, signatures of ten percent (10%) of the existing organization's licensed members. The alternate horsemen's organization petitioning to decertify an existing horsemen's organization whose membership is fewer than 1500 shall have not more than six (6) months from the date of filing to acquire, on a petition, signatures of thirty percent (30%) of the existing organization's licensed members.

(1) The notice of intent shall contain the name of the horsemen's organization, the names of the principals of the horsemen's organization, the date of filing, the articles of incorporation and a copy of the petition as it will be circulated.

(2) No more than one (1) petition by any alternate horsemen's organization to decertify an existing horsemen's organization shall be circulated at any given time.

(c) Upon receipt of a petition that meets the criteria in subsection (b) of this Rule, the Board shall consider the petition, and shall validate the signatures found on said petition. Validation includes, but is not limited to, verification of current CHRB license numbers and signature verification.

(1) If the validated signatures are found to meet the requirements of subsection (b) in this Rule, the Board shall thereupon establish a date and conduct an election among the existing organization's licensed members.

(2) If the validated signatures do not meet the requirements of subsection (b) in this Rule, the Board shall notify the alternate and the existing horsemen's organization that no further action shall be taken on the petition.

(d) A deciding vote of fifty percent (50%) plus one (1) of the ballots returned shall be used to determine the one organization to be acknowledged as representing the organization's licensed members.

(e) Except for good cause, the Board shall not conduct an election within eighteen (18) months of a prior election among the organization's licensed members.

NOTE:
Authority cited: Sections 19440 and 19562, Business and Professions Code.
Reference: Sections 19401(a) and €, 19613, 19613.1, 19613.2 and 19613.3, Business and Professions Code.

HISTORY:
1. New article 22 (sections 2040-2045) filed 4-12-79; designated effective 7-1-79.
2. Amendment of section and Note filed 6-2-94; operative 7-2-94.
3. Amendment of section heading, section and Note filed 9-22-95; operative 10-22-95.

2041. Agreements to Be Binding on Members.
Any agreement, covenant, or contract entered into by the acknowledged horsemen's organization with any licensed racing association is binding upon each horse owner or trainer or participant who accepts the conditions of the meeting by accepting stall space at such meeting. No such owner or trainer or participant nor any member, employee, agent, director, or representative of a horsemen's organization shall counsel, urge, advocate, aid or abet the violation of any provision of any horsemen's agreement, covenant or contract during its term.

NOTE:
Authority cited: Sections 19440, 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

2042. Agreements to Be Binding on Associations.
Any agreement, covenant, or contract entered into by the acknowledged horsemen's organization with any licensed racing association is binding upon the racing association and its employees, agents, representatives and officials. No employee, agents, representative or official of the association shall counsel, urge, advocate, aid or abet the violation of any provision of any horsemen's agreement, covenant or contract during its term.

NOTE:
Authority cited: Sections 19440, 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

2043. Adjudication of Controversies Relating to Agreements.
A complaint alleging a violation of any provision of an agreement between a horsemen's organization and a racing association may be filed with the Board by either of the contracting entities. The Board shall immediately investigate the allegations and may refer the complaint to the Board of Stewards appointed for the meeting where the violation is alleged to have occurred, or refer the matter for hearing under the provisions of Rule 1414 of this division. The stewards or a referee may, after hearing the matters alleged, order compliance with the terms of the contract if within their authority to do so or propose to the Board a decision or other course of action including therein their recommendations to the Board.

NOTE:
Authority cited: Sections 19440, 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending section filed 12-6-99.

2044. Agreements to Be Filed.
Each racing association shall file a copy of its agreement with the horsemen's organization, or in the case of fairs the horsemen's organizations, representing the horse owners and trainers at its meeting at the same time the association files its application for license. In the event the association is unable to obtain and file such agreement with its application, the Board may upon notice to the prospective parties to the agreement conduct a hearing with regard to the conditions for the meeting and take such action as it may deem appropriate to insure continuity of the racing program. The horsemen's organization shall provide a copy of the agreement for the conduct of the meeting to any person requesting the same and shall cause to be posted on the bulletin board of the association a notice of the location where a copy of the agreement may be obtained.

NOTE:
Authority cited: Sections 19440, 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

2045. Prohibited Provisions of Horsemen's Agreements.
No agreement between the association and the horsemen shall include provisions which are in conflict with the Horse Racing Law, the rules of the Board, or usurp the authority of the Board, including but not limited to:
(1) Provisions which limit or specify the number of races to be programmed on any day or night of the meeting;
(2) Provisions which specify the number of days per week during which racing will be conducted at the meeting;
(3) Provisions which specify the type of pari-mutuel wagering to be conducted by the association or the number of multiple-wager (exotic) pari-mutuel pools to be conducted; or
(4) Provisions which may serve to exclude participation at the meeting by any individual holding a valid license issued by the Board. Nothing herein is deemed an abridgment of Rules 1485 and 1989 of this division.

NOTE:
Authority cited: Sections 19440, 19562, Business and Professions Code.
Reference: Sections 19401(a), (e), Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending subsection (4) filed 12-23-96.
2. Change without regulatory effect amending subsection (4) filed 1-24-97.
3. Change without regulatory effect amending section filed 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 23. CHARITY FOUNDATIONS AND WELFARE FUNDS

2046. Filing of Annual Financial Report.
Every distributing agent selected and qualified pursuant to Sections 19553 and 19554 of the Business and Professions Code shall file with the Board within 135 days after the close of its fiscal year a financial report prepared by a certified public accountant. The required annual report shall be prepared in accordance with generally accepted auditing standards including verification of the eligibility of charitable organizations to which distributions were made.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19554, 19555, 19556 and 19557, Business and Professions Code.

HISTORY:
1. New Article 23 (Sections 2046-2048) filed 12-10-82; effective thirtieth day thereafter.

2047. Requests for Approval of Charity Fund Distribution.
A request by a distributing agent filed with the Board for approval of a distribution of charity days' net proceeds to one or more beneficiaries shall include therein the total amount of charity days' net proceeds held by the distributing agent, the name of each beneficiary selected for a distribution, a brief statement as to the purpose of each beneficiary, the amount to be distributed to each beneficiary, a representation by the distributing agent as to the eligibility of all beneficiaries, the total amount of the net proceeds to be approved by the Board for the requested distributions, and the amount of net proceeds to be held by the distributing agent after the approved distributions are made.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19555, 19556 and 19557, Business and Professions Code.

2048. Horsemen's Organization Welfare Fund.

Every horsemen's organization which maintains a welfare fund entitled to any moneys or payment from unclaimed pari-mutuel pool distributions under provisions of Section 19641 of the Business and Professions Code shall file with the Board within 90 days after the close of its fiscal year a financial report prepared by a certified public accountant. The annual report shall be prepared under generally accepted auditing standards and include a description of each activity or program funded by unclaimed pari-mutuel pool distributions. The administrator of the welfare fund or the horsemen's organization shall file an accompanying report concerning the programs or activities implemented or proposed at the time the report is submitted, a five-year estimate of the annual total cost of the programs or activities, and the statutory basis for the programs or activities.

NOTE:
Authority cited: Section 19440, Business and Professions Code;
and the Supplemental Report of the 1981 Budget Act.
Reference: Section 19641, Business and Professions Code.

HISTORY:
1. Change without regulatory effect amending section filed 12-6-99.

2049. Designation and Approval of Horsemen's Welfare Fund.

The horsemen's organization acknowledged by the Board under Rule 2040 of this division shall establish a charitable corporation to administer its welfare fund for the benefit of horsemen. The charitable corporation shall register with the Registry of Charitable Trusts and be in compliance with the provisions of the Uniform Supervision of Trustees for Charitable Purposes Act (Government Code sections 12580 et seq.). The Board shall designate the charitable corporation as the "welfare fund" for the purposes intended under Section 19641(b) of the Business and Professions Code; if:
(a) The charitable corporation shall have a minimum of five and a maximum of eleven directors or trustees who are subject to Board approval. The charitable corporation may not be a subsidiary or division of the horsemen's organization. The charitable corporation shall select at least one director or trustee without financial interest in horse racing pursuant to Business and Professions Code section 19641.2(c). The term of a director or trustee shall be three years. A director or trustee may serve succeeding terms.
(b) The charitable corporation shall establish its fiscal year to be July 1 through June 30 and shall establish a principal office for the conduct of its activities and as the repository for its records. Its records shall be open to inspection by the Board during normal business hours. The corporation shall publish a report of its activities biennially.
(c) The directors or trustees shall appoint an administrator of the welfare fund who shall procure a license from the Board and perform the duties directed by the directors or trustees.
(d) The directors or trustees shall establish a constitution or bylaws setting forth criteria for eligibility of the beneficiaries of the various programs and activities to be funded under section 19641(b) of the Business and Professions Code and submit to the Board on or before October 31 of each year a proposed schedule of expenditures from the fund for the next fiscal year specifying therein the categories, programs or activities for which funds will be expended.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Sections 19641 and 19641.2, Business and Professions Code; and Section 9.00, Chapter 324, Statutes of 1983 (Budget Act of 1983).

HISTORY:
1. New rule filed 1-30-85; effective 3-1-85.
2. Amendment filed 12-6-99; effective 12-6-99.
3. Amendment filed 7-8-02; effective 8-7-02.
4. Amendment filed 2-27-20; effective 4-1-20.

2050. Beneficiaries, Welfare Programs and Activities.

(a) These regulations establish the appropriate uses for funds paid to the designated charitable corporations under the provisions of section 19641(b)(1) of the Business and Professions Code. The directors or trustees of the welfare fund shall limit the eligibility for benefits to natural persons who engage in occupations directly relating to the physical care of horses at California racetracks or approved auxiliary stable areas and to the spouse or dependent children of such persons. Natural persons who have engaged in occupations directly relating to the physical care of horses at California racetracks or approved auxiliary stable areas, and their spouse or dependent children, may be eligible for benefits for not more than one year after the termination of such employment. Welfare funds may be expended for:

(1) Health care services including costs associated with the contracting for physicians' or dentists' professional services, hospitalization of an eligible beneficiary or dependent, outpatient, rehabilitative or preventative medical programs, restorative dental services, alcohol and drug abuse treatments, and capital outlay for medical or dental clinics and necessary equipment.

(2) Extended medical and health assurance including supplemental medical and hospitalization insurance coverage premiums, support or residential board and care facilities including capital outlay expenditures and reimbursements for beneficiaries confined to convalescent facilities or to facilities or institutions providing geriatric care.

(3) Emergency financial assistance including temporary family assistance financial aid, food or subsidized meal tickets or food vouchers, temporary housing expenses, emergency transportation expenses, burial expenses for an eligible beneficiary or immediate family member, and legal expenses of an eligible beneficiary.

(4) Educational and recreational activities including counseling and chaplaincy programs, Alcoholics Anonymous or similar programs, intra-mural sports activities and sports equipment, tickets and transportation to sports events, health and hygiene education classes, legal/immigration clinics, classes in spoken English, and expenditures for counselors, chaplains, and instructors for such activities.

(5) Notwithstanding any other provision of this regulation, CHRB licensees, employees of racing associations, and members of horsemen's organizations and racing-related charitable organizations that represent or assist backstretch personnel are eligible to receive health care services. Such services shall occur solely at clinic locations that are operated by the entity that administers the welfare fund established by the horsemen's organization described in Business and Professions Code section 19641(b)(1). The health care services shall be administered so as to not displace beneficiaries who are eligible under subsection (a) of this regulation.

(A) For the purposes of this regulation, employees of horsemen's organizations and racing-related charitable organizations are considered members of such entities.

(6) Administration costs necessary to administer, supervise and audit the operations of the charitable corporation provided that the expenditures for such administration purposes not exceed 15 percent of the total expenditures for any fiscal year.

NOTE:
Authority cited: Section 19440, Business and Professions Code.
Reference: Section 19641, Business and Professions Code.

HISTORY:
1. New section filed 1-30-85; effective thirtieth day thereafter.

2. Amendment filed 7-30-2002; operative 8-29-2002.
3. Redesignation and amendment of first paragraph as subsection (a), new subsections (a)(5) -(a)(5)(A), subsection renumbering, amendment of newly designated subsection (a)(6) and amendment of Note filed 7-18-2018; operative 7-18-2018.

TITLE 4, DIVISION 4, ARTICLE 24. INTRASTATE SIMULCAST WAGERING

2056. Definitions.

As used in this article:

(a) “Assistance simulcast facility supervisor” means a person licensed by the Board to perform the duties described in Rule 2061 of this article.

(b) “Authorized user” means an entity which includes any individual, partnership, corporation or other association or organization authorized by the Board as defined in Rule 2057 of this article to receive, decode and use for legal purposes the encrypted simulcast signal of California horse racing events.

(c) “Common pools”, “common pooling” means the pari-mutuel wagers at one or more guest associations contributed into the pari-mutuel pools of a host association; the act of contributing pari-mutuel wagers into the parimutuel pools of a host association.

(d) “Decoder” means a device and/or means to convert encrypted audio-visual signals and/or data into a form recognizable as the original content of the signals.

(e) “Distributable amounts” means the amount withheld from the wagering dollar that is not returned to the public, and is distributed under Articles 9.2 and 9.5, Chapter 4, Division 8 of the Business and Professions (B&P) Code.

(f) “Downlink” means a receiving antenna coupled with an audio-visual signal receiver compatible with and capable of receiving simultaneous audio-visual signals and/or pari-mutuel data emanating from a host association, and includes the electronic transfer of received signals from the receiving antenna to TV monitors or pari-mutuel equipment within the simulcast facility.

(g) “Encryption,” “encrypted,” “encoded” means the scrambling or other manipulation of the audio-visual signals to mask the original video content of the signal causing the signals to be indecipherable and unrecognizable to entities receiving the signals who are not authorized users.

(h) “Guest,” “guest association” means an entity licensed by the Board as defined in Rule 2057(a) of this article to receive a host association's simulcast or signal to operate a facility where simulcast wagering is offered on the host association's racing card.

(i) “Host,” “host association” means the racing association or fair conducting a licensed horse racing meeting under Sections 19608 and 19608.1 of the B&P Code which simulcasts its racing program.

(j) “Inclosure,” “inclosure-public” includes areas of the simulcast facility as defined by Sections 19410 and 19410.5 of the B&P Code.

(k) “Intrastate simulcast wagering” means pari-mutuel wagering at a California guest association on California horse racing events being run at a California racing meeting.

(l) “Satellite transponder,” “transponder” means a specific channel on a communication satellite.

(m) “Simulcast,” “simulcasting” means live audio-visual electronic signals emanating from a licensed horse racing meeting and transmitted via satellite or other medium simultaneously with the running of the horse racing events at that meeting, and includes the transmission of pari-mutuel wagering odds, amounts wagered and payout on the events, and other horse racing programming relating to the racehorses or participants.

(n) “Simulcast facility supervisor” means a person licensed by the Board to perform the duties described in Rule 2061 of this article.

(o) “Simulcast organization,” “organization” means an entity formed under Section 19608.2 of the B&P Code.

(p) “Simulcast service supplier” means a person engaged in providing service, supplies or equipment necessary to the operation of intrastate simulcast wagering for use by a host association, guest association, simulcast organization or authorized user, including pari-mutuel wagering terminals, uplink,

downlink, television receivers and related equipment; but does not include persons authorized by the Federal Communications Commission to provide telephone service or space segment time on satellite transponders.
(q) “Simulcast wagering facility,” “intrastate wagering facility” means the physical premises, structure and equipment utilized by a guest association for the conduct of pari-mutuel wagering on horse racing events being run elsewhere.
(r) “Totalizator equipment” means computerized pari-mutuel wagering system.
(s) “Uplink” means an earth station broadcasting facility, whether mobile or fixed, which is used to transmit audio-visual signals and/or data.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19410.5, 19601, 19605, 19605.1, 19605.2, 19605.3, 19605.6, 19608, 19608.1, 19608.2 and 19619.6, Business and Professions Code.

HISTORY:
1. New section filed 3-23-88 pursuant to a decision by the Governor overruling OAL's disapproval of this section on the basis that the Board's Notice of Proposed Rulemaking was invalidated by intervening statutory amendments (Government Code section 11349.5); operative 4-22-88 (Register 88, No. 17). The Horse Racing Board agreed to resolve all other legal issues identified in OAL's disapproval of these sections in a subsequent rulemaking.
2. Amendment of article heading, section and Note filed 10-4-93; operative 11-3-93.
3. Change without regulatory effect amending subsection (m) filed 12-23-96 pursuant to section 100, title 1, California Code of Regulations.
4. Editorial correction of subsection (q).
5. Change without regulatory effect amending section filed 12-6-99 pursuant to section 100, title 1, California Code of Regulations.
6. Change without regulatory effect amending section and Note filed 10-14-2004 pursuant to section 100, title 1, California Code of Regulations.

2057. Application and Approval of a Simulcast Facility.
No person, which includes any individual, partnership, corporation, or other association or organization, shall conduct or attempt to conduct wagering on the results of races simulcast from a race meeting held in this State unless authorized and permitted to do so by the Board as follows:
(a) A racing association, fair, or other entity proposing to act as a guest association shall complete an Application for Authorization to Operate a Simulcast Wagering Facility, CHRB-25 (Rev. 1/23), which is hereby incorporated by reference. Form CHRB-25 shall be available at the Board's administrative office. The application shall be filed with the Board at least ninety (90) days prior to the first day of racing for review, investigation, and approval based on the following conditions:
(1) In order to allow an evaluation of the competence, integrity, and character of the applicant to operate a simulcast wagering facility, any person, corporation, trust association, partnership, or joint venture shall submit with the application a Personal History Record, CHRB-25A (Rev. 04/23), which is hereby incorporated by reference, for the following:
(A) If the applicant is a corporation, the officers, the directors, and each owner, directly or indirectly, of any equity, security, or other ownership interest in the corporation. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own five (5) percent or more of the publicly held securities need be disclosed.
(B) If the applicant is a trust, the trustee and all persons entitled to receive income or benefit from the trust.
(C) If the applicant is an association, the members, officers, and directors.

(D) If the applicant is a subsidiary, the officers, directors, and stockholders of the parent company thereof. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own five (5) percent or more of the publicly held securities need be disclosed.

(E) If the applicant is a partnership or joint venture, all of the general partners, limited partners, or joint venturers.

(F) If the parent company, general partner, limited partner, or joint venturer of any applicant is itself a corporation, trust, association, subsidiary, partnership, or joint venture, then the disclosure of such information shall be made, as necessary, to determine ultimate ownership. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own five (5) percent or more of the publicly held securities need be disclosed.

(G) If the applicant employs a management company, disclosure shall apply to the management as set forth in subsections A through F, as appropriate.

(2) The applicant has executed an agreement with a simulcast organization for the conduct of simulcast wagering at its facility; or may act on its own behalf by contracting with simulcast service suppliers and each individual racing association or fair to act as a guest association. A copy of each signed contract must accompany the application, CHRB-25 (Rev. 1/23).

(3) Every licensed simulcast facility shall be inspected by the fire authority having jurisdiction, as dictated by that authority's inspection schedule. After each inspection, a fire clearance by the fire authority must be obtained by the simulcast facility and filed with the Board within ten (10) calendar days of its receipt. This clearance must indicate that the facility meets the standard of fire safety set by the fire authority and that said facility is in compliance with fire safety codes as are applicable in that jurisdiction.

(4) Every simulcast facility shall be equipped with a downlink system consisting of a network broadcast quality satellite receiving antenna coupled with a broadcast specification Ku and/or C band receiver compatible with the encryption system used, with motorized directional control, electrical service, coaxial cabling, or equivalent or industry-accepted cabling, closed-circuit TV monitors and audio system, and a public address system.

(5) The guest association shall provide a patron area for parimutuel wagering and the observation of the satellite signal as received from the host association. The patron area shall be designated on the application by the applicant. Such area shall be the inclosure-public, as defined in Section 2056(j) in this Article, of the simulcast facility. No form of horse racing wagering, either in person or by the use of runners, messengers, or otherwise, shall be permitted outside the inclosure. All odds data made available to the guest association by the host association shall be displayed at all times. For new facilities, the only offices permitted in restricted parimutuel access areas will be those required for operation of the parimutuel system.

(6) The guest association shall appoint, and have on duty while racing is being conducted, a simulcast facility supervisor or an assistant simulcast facility supervisor as defined in Section 2056 (a) and (n) in this Article.

(7) Every person employed by a guest association within the restricted area of the inclosure, as defined in Section 1420(v) in this Division and Section 2056(j) in this Article, of the simulcast facility is required to be licensed pursuant to Sections 1440 and 1481 in this Division.

(8) Every guest association shall provide security personnel to protect the public and maintain the peace within the simulcast wagering facility. Additionally, the guest association shall maintain such security controls over its inclosure and premises, as defined in Section 1420(q) in this Division, the areas where uplink and downlink equipment is located, fencing, access gates, cables, wires and power lines and warning notifications where uplink and exterior equipment is located, and the equipment room where inside downlink receiving components are located, as the Board's Executive Director or his/her designee shall direct. Guest associations shall also

remove, deny access to, eject, or exclude persons as provided by Sections 1980 and 1989 in this Division.

Guest associations shall have the right to request, in writing, that the Chairman of the Board grant a stay from such security controls directed by the Executive Director within seventy-two (72) hours of the directive. If granted, such a stay shall remain in force until an appeal can be considered at the next regularly scheduled public meeting of the Board. An appeal must be submitted, in writing, at least two (2) weeks prior to the meeting date. The directive will be in force until a stay is issued or the Board renders its decision on the appeal. Decisions by the Board shall be final.

(9) No guest association shall conduct wagering on any race or races other than those approved by the Board or simulcast by its host association.

(10) No guest association, except as provided for in Business and Professions Code Section 19605.3, may discontinue its operation nor conduct any activity that would cause interruption of the signal without giving the Board and the host association prior written notice within fifteen (15) calendar days of such discontinuance or other change.

(11) Plans for new, proposed simulcast facility sites or for the remodeling or alteration of existing sites shall be submitted to the Board for review prior to the preparation of construction drawings. The Board shall review and approve said plans relative to security for the parimutuel operations, placement of data lines, and overall compatibility with Board policy and regulation within thirty (30) working days from the date the plans were received. If applicable, the simulcast organization named in the agreement described in (a)(2) of this Section shall be notified by the guest association of the availability of the plans and shall have the right to review them relative to security for the parimutuel operations and placement of data lines and comment to the Board prior to Board approval or denial of the plans.

(12) In the case of a fair, the Department of Food and Agriculture must approve the application pursuant to the provisions of Sections 19605.1, 19605.2, and 19605.6 of the Business and Professions Code. Such approval is not required for the California Exposition and State Fair and the Los Angeles County Fair.

(b)(1) The Board will notify an applicant in writing within thirty (30) calendar days from the receipt date by the Board's Administrative office if its application is incomplete. This notice will include instructions as to what is required of the applicant to complete the application.

(2) If the applicant fails to submit all documents needed to complete the application within one year from the receipt date of the application by the Board, the Board shall purge said application and all documents submitted thereto and require resubmittal of an application if the applicant, thereafter, intends to procure a license pursuant to this section.

(c) The Board shall approve or deny an application within sixty (60) calendar days from the date the application is deemed complete by the Board.

(d) If the Board denies approval of the application, the applicant has thirty (30) calendar days, from the receipt date of the Board's denial notification, to request a reconsideration of the Board's decision. This request must be in writing and sent to the Board's Administrative office. If reconsideration is denied, the applicant has thirty (30) days to file for Superior Court review in accordance with Section 19463 of the Business and Professions Code.

(e) The approval of the application by the Board shall constitute a license to operate as a simulcast wagering facility, the term of which shall be five years from the date the license is issued, subject to the compliance provisions of Section 19433 of the Business and Professions Code.

(f) Subsequent to the issuance of a license to operate as a simulcast wagering facility under this article, if changes or amendments are made to information or operating procedures contained in an Application, the applicant shall submit a written request to the Board for approval of those changes or amendments. The Board shall approve the request, unless said changes or amendments result in the application failing to meet the requirements of this section.

(g) Each guest association licensed prior to January 1, 2025, pursuant to subsection (a), shall file a new application, form CHRB-25 (Rev. 10/23), by January 1, 2026, to renew its license.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19410, 19410.5, 19433, 19460, 19463, 19601, 19605, 19605.1, 19605.2, 19605.6, 19608, 19608.1 and 19608.2, Business and Professions Code; and Sections 15376 and 15378, Government Code.

HISTORY:
1. New section filed 3-23-88 pursuant to a decision by the Governor overruling OAL's disapproval of this section on the basis that the Board's Notice of Proposed Rulemaking was invalidated by intervening statutory amendments (Government Code section 11349.5); operative 4-22-88. The Horse Racing Board agreed to resolve all other legal issues identified in OAL's disapproval of these sections in a subsequent rulemaking.
2. Amendment of section heading, text and Note filed 10-4-93; operative 11-3-93.
3. Amendment of subsection (a)(8) filed 7-21-95; operative 8-20-95.
4. Amendment filed 10-25-24; effective 1-1-25.

2058. Duties of A Racing Association or Fair Offering Simulcast Wagering.

(a) A racing association or fair may simulcast its racing program as the host association and/or any other association or fair racing programs as an authorized user either by forming its own simulcast organization as defined in Rule 2059 of this division or by acting on its own behalf by contracting with each individual fair or racing association simulcast facility or by contracting with an existing simulcast organization. If the association or fair acts on its own behalf, it is responsible for all of the provisions outlined in Rule 2060 of this division.

(b) A host association is responsible for the content and broadcast quality of its simulcast and shall use all reasonable effort to present a simulcast which offers viewers an exemplary depiction of its racing program, e.g., pre-race activities such as the paddock area, pony riders and racehorses on the track, the starting gate, the actual race in its entirety and post race activities such as the replay of the race, the finish line showing the horses crossing in slow motion, any replay where there is an inquiry by the stewards, the winner's circle and excerpts of the race. A periodic display of wagering information shall be shown, e.g., the odds information, win, place and show pools and the probable payouts on different types of wagers on the screen and scanning of the tote board on an intermittent basis. The simulcast shall contain continuity programming between horse racing events, e.g., display of the paddock and walking ring, replays of the previous race, the horses and outriders, odds information and overall activity at the track.

(c) Simulcasts must be encrypted using a time displacement decoding algorithm encryption system. If new technology is available, approval by the Board's Pari-mutuel Operations Committee must be obtained before its use by a simulcast facility. Approval shall be requested in writing to the Board. The Board shall act to approve the request at its next regularly scheduled Pari-mutuel Operations Committee meeting if the request is received two weeks before the meeting date.

(d) The content of every simulcast video will contain a digital display of the calendar date, time of day, name of the racetrack from where it emanates and the number of the race being displayed. All replays of races will be so designated on the video image.

(e) Every host association shall make its totalizator system available for common pooling of pari-mutuel amounts from guest associations with pari-mutuel pools. All wagers made available by a host association shall be made available to all simulcast facilities.

(f) If the host association is authorized by the Board to simulcast a feature race for wagering use by any California racing association, fair or simulcast facility, and is authorized, under Section 19601(a)(3) of the Business and Professions Code, not to combine the wagers made at the other association, fair or facility

with its own pari-mutuel pools, the association shall nevertheless pay the license fee on all amounts wagered on the feature race based on the license fee schedule applicable to its race meeting.
(g) A facsimile (FAX) machine must be available at all times in the totalizator room for ease of administration when pools are merged with other simulcasting facilities.

NOTE:
Authority cited: Section 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19460, 19480, 19601, 19602, 19605, 19605.1, 19605.2, 19605.3, 19605.4, 19605.6, 19608, 19608.1, 19608.2 and 19619.6, Business and Professions Code.

HISTORY:
1. New section filed 3-23-88 pursuant to a decision by the Governor overruling OAL's disapproval of this section on the basis that the Board's Notice of Proposed Rulemaking was invalidated by intervening statutory amendments (Government Code section 11349.5); operative 4-22-88. The Horse Racing Board agreed to resolve all other legal issues identified in OAL's disapproval of these sections in a subsequent rulemaking.
2. Amendment of section heading, text and Note filed 10-4-93;operative 11-3-93.
3. Editorial correction of Authority cite
4. Change without regulatory effect amending subsection (b) filed 12-23-96 pursuant to section 100, title 1, California Code of Regulations.
5. Change without regulatory effect amending section filed 12-6-99 pursuant to section 100, title 1, California Code of Regulations.

2059. Initial Application and Approval of a Simulcast Organization.
(a) Any association, fair, entity, or person proposing to act as a simulcast organization shall file an Application for Approval to Operate a Simulcast Organization, CHRB-34 (Rev. 3/23), which is hereby incorporated by reference, with the Board for approval based on the following conditions:
(1) The applicant is an entity authorized by law to conduct business in this state.
(2) The applicant establishes its banking accounts with an insured institution, has a principal office in California for the conduct of its business, retains a certified public account to conduct an annual audit of its financial statements or operations, agrees to submit an annual financial statement of its operations to the Board, and agrees to the inspection of its accounts and financial records by the Board or its agents.
(3) The applicant demonstrates, by including a copy of the organization's charter, articles or bylaws with the application form CHRB-34 (Rev. 3/23), that it offers meaningful representation on its governing board to any non-racing fair or any horsemen's organization as provided in Section 19608.2 of the Business and Professions Code.
(4) The governing board of the applicant organization must hold one public meeting during each calendar year. At least fifteen (15) calendar days prior notice must be given in the Daily Racing Form or other newspaper of general circulation for the purpose of reporting the organization's activities and for receiving public comments as to its simulcasting operations. The simulcast organization shall give fifteen (15) calendar days prior notice, in writing, to its associations and fairs, the horsemen's organizations eligible to vote at the simulcast organization's governing board meeting, and the Board of any simulcast organization meeting. The organization shall maintain a minute record of the proceedings of its governing board.
(b) (1) The Board will notify an applicant in writing within 30 calendar days from the receipt date by the Board's Administrative office if its application is incomplete. This notice will include instructions as to what is required of the applicant to complete the application.
(2) If the applicant fails to submit all documents needed to complete the application within one year from the receipt date of the application by the Board, the Board shall purge said application and

all documents submitted thereto and require resubmittal of an application if the applicant, thereafter, intends to apply for approval pursuant to this section.

(c) The Board will approve or deny an application within sixty (60) calendar days from the date the application is deemed complete by the Board. The Board may withdraw, suspend, or revoke its approval on grounds or reasons that include, but are not limited to, the following determinations:

(1) The simulcast organization is ineligible to conduct business in this state pursuant to any federal or state statute.

(2) The simulcast organization or any of its officers, directors, partners, or principal management employees have engaged in any activity that is a basis for denial, suspension, or revocation of a license pursuant to this Division or has failed, refused, or neglected to comply with any Board order, rule, regulation, or order by the Board's stewards reasonably related to its operations as a simulcast organization. The approval shall remain denied, suspended, or revoked until all parties of the organization comply with Board conditions. The remaining parties of the organization shall not be prohibited from applying for a new approval if compliance cannot be obtained from the offending party.

(3) The simulcast organization has failed, refused, or neglected to perform any duty imposed by this Division or by the provisions of Sections 19608.2, 19605.7, 19605.71, or 19608.4 of the Business and Professions Code.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19608.2 and 19608.4, Business and Professions Code; and Sections 15376 and 15378, Government Code.

HISTORY:

1. New section filed 3-23-88 pursuant to a decision by the Governor overruling OAL's disapproval of this section on the basis that the Board's Notice of Proposed Rulemaking was invalidated by intervening statutory amendments (Government Code section 11349.5); operative 4-22-88. The Horse Racing Board agreed to resolve all other legal issues identified in OAL's disapproval of these sections in a subsequent rulemaking.
2. Amendment of section heading, text and Note filed 10-4-93; operative 11-3-93.
3. Amendment filed 10-25-24; effective 1-1-25.

2060. Duties of a Simulcast Organization.

A simulcast organization, under the supervision of the Board, conducts pari-mutuel wagering at one or more simulcast facilities on the results of horse races run at one or more host racing associations.

(a) The organization shall provide a copy of its operational agreement with each host or guest association and/or authorized user to the Board for approval within 10 calendar days following the execution date of the agreement. The Board shall act to approve or disapprove the agreement within 45 calendar days of the date of its receipt by collective action at a noticed public meeting. The Board shall act to approve the agreement when:

(1) The agreement with each host association specifies the terms and conditions under which the simulcast organization will administer the audio-visual transmission of the host association's racing program for simulcast wagering purposes, for a period of not less than the entire term of the host association's race meeting and on the conditions agreed upon by the parties.

(b) A simulcast organization shall provide the following to its guest locations:

(1) Pari-mutuel personnel/supervisor, pari-mutuel terminals and telecommunication equipment for the transmission and reception of pari-mutuel data to and from the totalizator utilized by the host association, pari-mutuel odds display data, and courier or armored transport services for the delivery of pari-mutuel funds and receipts for which the simulcast organization is responsible. Any

pari-mutuel wagering odds display data available at the host association shall be available at all guest associations participating in that host's pari-mutuel pools.

(2) A communication system consisting of data and voice lines for operations when providing its audio-visual signals.

(3) A simulcast audiovisual signal of horse races being held or conducted at its contracting host associations. Every simulcast shall be encrypted using a time displacement decoding algorithm encryption method.

(4) Access to the totalizator equipment operated by the host association conducting its meeting to combine the pari-mutuel wagers from the guest associations with the pari-mutuel pools formed by the wagers accepted at the host association.

(c) A simulcast organization is strictly responsible to the Board to transmit the same high quality audio-visual signal as transmitted by the host association and for the conduct of pari-mutuel wagering at each contracting simulcast facility under this division, and as required by Business and Professions Code Section 19608.2.

(d) Audiovisual signals must be of broadcast quality and the simulcast organization shall initiate a test program of its transmitter, encryption and decoding system, and data and voice communication systems not later than 20 minutes before post time of the first race of the simulcast racing program to ensure proper operation of its system.

(e) The simulcast organization must insure that system failures which cause any public complaint, discontinuance of pari-mutuel wagering or facility closure are responded to by qualified technicians within 24 hours of the failures.

(f) The simulcast organization shall, at the written request of any representative of the Board, display a listing of all locations where the organization or its simulcast service supplier has placed a decoder unit. The listing shall include the serial number of each decoder, and whether or not the decoder is electronically enabled to decode the encrypted simulcast.

(g) The simulcast organization shall maintain security controls over its uplink and communication systems and its pari-mutuel operations as directed by the Board's Executive Director or his/her designee. The simulcast organization shall prevent unauthorized access to its pari-mutuel and totalizator areas and tampering with its audio-visual and communication equipment. Simulcast organizations have the right to request, in writing, that the Chairman of the Board grant a stay from the security controls directed by the Executive Director within 72 hours of the directive. If granted, the stay remains in force until an appeal can be considered at the next regularly scheduled public meeting of the Board. Appeals must be submitted, in writing, at least two weeks before the meeting date. The directive will be in force until a stay is issued or the Board renders its decision on the appeal. Decisions by the Board are final.

(h) A simulcast organization shall file with the Board an annual audited financial statement of its operations within 120 days after the end of its fiscal year of operation and permit the Board to examine its business records upon written request.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19608.2 and 19608.4, Business and Professions Code.

HISTORY:

1. New section filed 3-23-88 pursuant to a decision by the Governor overruling OAL's disapproval of this section on the basis that the Board's Notice of Proposed Rulemaking was invalidated by intervening statutory amendments (Government Code section 11349.5); operative 4-22-88. The Horse Racing Board agreed to resolve all other legal issues identified in OAL's disapproval of these sections in a subsequent rulemaking.
2. Amendment of section heading, text and Note filed 10-4-93; operative 11-3-93.
3. Change without regulatory effect amending subsection (g) filed 6-7-94 pursuant to title 1, section 100, California Code of Regulations.

4. Change without regulatory effect amending section filed 12-6-99 pursuant to section 100, title 1, California Code of Regulations.

2061. Duties of the Simulcast Facility Supervisor or Assistant Simulcast Facility Supervisor.

The simulcast facility supervisor or assistant simulcast facility supervisor is responsible for the oversight of the facility to ensure compliance with the Board's laws, rules and regulations. The duties of a simulcast facility supervisor or assistant simulcast facility supervisor, in addition to any duties and responsibilities required by his/her employer, include, but are not limited to, immediately reporting to the Board or its stewards, in writing or by telephone, any violation of the Board's rules or regulations which come to their attention or of which they have knowledge. This includes referrals of matters involving misconduct of licensees to the host track stewards and ordering the exclusion or ejection of persons who are prohibited from participating in pari-mutuel wagering and from being present within any racing inclosure during a recognized race meeting. Additional duties include maintaining minutes of the conduct of each day's events at the simulcast location where assigned, supervising all phases of the facility which are directly related to the requirements of the Board's laws and regulations at the simulcast location. The supervisor does not hire or fire pari-mutuel employees nor does he/she oversee the performance of the pari-mutuel employees with regard to personnel matters. The supervisor does, however, have a responsibility to report to the Board any non-compliance with the Board's laws and regulations as they pertain to pari-mutuel matters.

NOTE:
Authority cited: Sections 19420, 19440 and 19460, Business and Professions Code.
Reference: Sections 19520, 19521 and 19522, Business and Professions Code.

HISTORY:
1. New section filed 10-4-93; operative 11-3-93.
2. Change without regulatory effect amending section filed 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 25. INTERSTATE SIMULCAST WAGERING

2063. Out-of-State and Interstate Wagering.

(a) The Board shall authorize a racing association or a guest association to conduct simulcast wagering on the results of one or more races conducted by an out-of-state racing association, provided:

(1) The association intending to conduct wagering on an out-of-state race files with the Board a copy of the agreement with the out-of-state association and the written approvals required by Chapter 57, commencing with Section 3001, of Title 15 of the United States Code, and a statement setting forth the date and time it intends to commence accepting wagers on the out-of-state race(s).

(2) The Board approves the methods by which the out-of-state association intends to transmit the simulcast of its race(s) and the restrictions, if any, placed on the use of the simulcast, and the methods to be used to assure a separate voice communication system between its stewards and the stewards at the track where the race(s) are held.

(3) The out-of-state race(s) are qualified feature events and the fee to be paid for use of the out-of-state race(s) does not exceed 50% of the retained amount from pari-mutuel wagers after deduction for license fees, local government fee, and any mandated guest association fee.

(4) The Board determines that the conduct of wagering on the race(s) best serves the interest of the public and the sport of horse racing.

(b) The Board shall authorize a racing association to use its simulcast for interstate wagering by out-of-state betting systems provided:

(1) The association files with the Board a copy of the agreement with the out-of-state betting system which sets forth the payment to the association for use of its simulcast, and of any agreements required by Chapter 57, commencing with Section 3001, of Title 15 of the United States Code.

(2) Payment of the license fee required by Section 19602 (b) of the Business and Professions Code be made weekly, on the day specified by the Board, accompanied by a transmittal statement setting forth the gross amount received by the association from the interstate wagering use of its simulcast and the distribution of that gross amount.
(3) The simulcast complies with Rule 2057(d), (e) and (f) of this division.
(4) The Board determines that use of the simulcast by the out-of-state wagering systems best serves the interests of the public and sport of horse racing.

NOTE:
Authority cited: Sections 19420, 19440 and 19590, Business and Professions Code.
Reference: Sections 19596, 19596.5, 19601, 19602, 19615 and 19616, Business and Professions Code.

HISTORY:
1. Renumbering of former section 2061 to section 2063 filed 3-25-93; operative 3-25-93.
2. Editorial correction of subsection (b)(4).
3. Change without regulatory effect amending section and Note filed 12-6-99.

TITLE 4, DIVISION 4, ARTICLE 25.5. MINISATELLITE WAGERING

2066. Application for License to Operate a Minisatellite Wagering Facility.

(a) An applicant for license to operate a minisatellite wagering facility shall complete an Application for License to Operate a Minisatellite Wagering Facility CHRB-228 (Rev. 04/22), hereby incorporated by reference, which is available at the Board's headquarters office. Note: CHRB-228 incorporates by reference the Personal History Record form CHRB-25A (Rev. 4/23). The application must be filed not later than 90 days in advance of the scheduled start date of operation. The application must include a certified check in the amount of $500.00 payable to the Treasurer of the State of California for a nonrefundable application fee. The term of the license shall be five years from the date the license is issued.
(b) The Board may conduct investigations or inspections or request additional information from the applicant, as it deems appropriate in determining whether to approve the license.
(1) Upon the written request of the applicant, the Board may waive the requirement for submission of a Full Disclosure Statement and CHRB-25A for persons who have a current valid state gambling license and/or finding of suitability issued by the California Gambling Control Commission.
(c) The Board, or its designee, shall be given access for review and audit of all records. The applicant shall, at its location during hours of operation, make such information available. The Board may require the applicant to annually submit audited financial statements.
(d) All advertisements shall contain a statement that persons under 21 are not allowed access to the minisatellite wagering site. All advertisements shall contain contact information for a recognized problem-gambling support organization.
(e) (1) The Board shall notify the applicant in writing within 30 calendar days from the date the application is received by the Board's administrative office if the application is complete or deficient. If the application is deficient, the notice shall include instructions as to what is required of the applicant to complete the application.
(2) If the applicant fails to submit all documents needed to complete the application within one year from the receipt date of the application by the Board, the Board shall purge said application and all documents submitted thereto and require resubmittal of an application if the applicant, thereafter, intends to procure a license pursuant to this section.

(f) The Board shall approve or deny an application within 60 calendar days from the date the application is deemed complete by the Board.

(g) If the Board denies an application, the applicant has 30 calendar days from the date of receipt of the Board's denial notification to request a reconsideration of the Board's decision. The request must be in writing and sent to the Board's headquarters office. The Board shall respond in writing to the reconsideration request within 30 working days from the date of receipt of the request. If reconsideration is denied, the applicant may file for judicial review in accordance with Business and Professions Code section 19463.
(h) After a license to operate a minisatellite wagering facility is issued under this article, changes or amendments to information or operating procedures contained in the application for the license will be permitted by order of the Board or by Board approval of a request submitted in writing by the applicant.

NOTE:
Authority cited: Sections 19420, 19440 and 19605.25, Business and Professions Code.
Reference: Sections 19410.7, 19460 and 19605.25, Business and Professions Code.

HISTORY:
1. New section filed 3-5-2009; operative 4-4-2009.
2. Change without regulatory effect amending subsection (a) filed 4-26-2012 pursuant to section 100, title 1, California Code of Regulations.
3. Amendment of subsection (a) and Note filed 4-2-2014; operative 7-1-2014.
4. Change without regulatory effect amending Form CHRB-228 (incorporated by reference) and amending subsections (a), (b) and (b)(1) filed 6-16-2022 pursuant to section 100, title 1, California Code of Regulations (Register 2022, No. 24).
5. Amendment filed 10-25-24; effective 1-1-25.

TITLE 4, DIVISION 4, ARTICLE 26. ADVANCE DEPOSIT WAGERING

2070. Definitions.

As used in this article:
(a) “Account” means an Advance Deposit Wagering Account used to record credits, debits, deposits and withdrawals.
(b) “Account Holder” means a natural person that has established an Account.
(c) “Account Number” means a unique identification number designated by the Licensee, Betting System, CA Hub or out-of-state Hub.
(d) “Advanced Deposit Wagering” means a form of pari-mutuel wagering in which an Account Holder residing within or outside California establishes an Account and then authorizes a Board approved Licensee, Betting System, CA Hub or out-of-state Hub by telephone or Other Electronic Media to place wagers on horse racing on the Account Holder's behalf. Only the Licensee, Betting System, CA Hub or out-of-state Hub that holds the Account can make an advance deposit wager for the Account Holder. Wagering instructions that concern funds held in an Account shall be deemed issued within the inclosure of the Licensee.
(e) “Applicant” means any entity including, but not limited to, corporations, partnerships, limited liability companies, limited partnerships, or individuals that file an Application to conduct Advance Deposit Wagering.
(f) “Application” means the CHRB-132 application that must be Board-approved prior to a Licensee, Betting System or CA Hub being licensed or the CHRB-133 application that must be Board-approved prior to an out-of-state Hub being approved.
(g) “Betting System” means a business conducted exclusively in California that facilitates pari-mutuel wagering on races it simulcasts and other races it offers in its wagering menu.
(h) “Board” means the California Horse Racing Board.
(i) “Confidential Information” means the following:

(1) The amount of money credited to, debited from, or present in any particular Account Holder's Account;
(2) The amount of money wagered by a particular Account Holder on any races or series of races;
(3) The Account Number and secure Means of Personal Identification of an Account Holder;
(4) The identities of particular entries on which the Account Holder is wagering or has wagered;
(5) Unless otherwise authorized by the Account Holder, the name, address, and other information in possession of the Licensee, Betting System, CA Hub or out-of-state Hub that would identify the Account Holder to anyone other than the Board, Licensee, Betting System, CA Hub or out-of-state Hub.

(j) "Credits" means all positive inflow of money to an Account.

(k) "Debits" means all negative outflow of money when placing a wager from an Account or for the purchase of horse racing related merchandise and services.
(l) "Deposit" means a credit of money to an Account from an Account Holder.
(m) "Licensee" means an association or fair licensed to conduct a horse racing meeting only within the inclosure and on the dates the Board authorized horse racing.
(n) "Market Access Fee" means the contractual fee paid by a Betting System, CA Hub or out-of-state Hub to the California Licensee for access to the California market for wagering purposes. The fee shall be distributed in accordance with Section 19604(g) of the Business and Professions Code.
(o) "Means of Personal Identification" means the unique number, code or other secure technology designated by an Account Holder to assure that only the Account Holder has access to his or her Account.
(p) "Multi-jurisdictional Wagering Hub" means a business conducted in more than one jurisdiction that facilitates pari-mutuel wagering on races it simulcasts and other races it offers in its wagering menu. The term "CA Hub" will be used for locations in California and "out-of-state Hub" for locations outside California.
(q) "Natural Person" means any person at least 18 years of age.
(r) "Other Electronic Media" means any electronic communication device or combination of devices including, but not limited to, personal computers, the Internet, private networks, interactive television and wireless communication technologies or other technologies approved by the Board.
(s) "Proper Identification" means a form of identification that establishes the person making a transaction is the Account Holder.
(t) "Withdrawal" means a payment from an Account by the Licensee, Betting System, CA Hub or out-of-state Hub to the Account Holder.
(u) "Withdrawal Slip" means the form provided by the Licensee, Betting System, CA Hub or out-of-state Hub to an Account Holder to withdraw funds.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. Amendment filed 1-2-03; effective 1-2-02.

2071. License to Conduct Advance Deposit Wagering by a California Applicant.
(a) Prior to an Account being established or wagering being conducted, the Applicant located in California must be licensed by the Board. All licenses granted shall be subject to the provisions of Business and Professions Code section 19460 et. Seq.
(b) An Applicant for license shall complete an Application for License to Conduct Advance Deposit Wagering, CHRB-132 (Rev. 12/22), hereby incorporated by reference, which is available at the Board's administrative office. The Application must be filed not later than 90 days in advance of the scheduled start date of operation. A bond from a surety company admitted in the state of California or other form of

financial security in the amount of $500,000 must accompany the Application. The term of the license shall be two years from the date the license is issued.
(c) Applicants shall establish security access policies and safeguards pursuant to Business and Professions Code section 19604.
(d) Applicants that accept wagers from California residents shall provide a full accounting and verification of the source of the wagers and a detailed wagering information file that includes, but is not limited to, dollar amount wagered, pool on which the wager was placed, race number and racing venue, zone, breed, zip code of the Account Holder, time wagering stopped, and time of the wager in the form of a daily download of pari-mutuel data to the Board-designated database, CHRIMS, Inc., that is compatible with a Comma Delimited Text File.
(e) Applicants shall provide financial information that demonstrates the financial resources to operate Advance Deposit Wagering and provide a detailed budget that shows anticipated revenue, expenditures, and cash flows by month projected for the term of the license.
(f) The Board may conduct investigations or inspections or request additional information from the Applicant as it deems appropriate in determining whether to approve the license.
(g) The Board, or its designee, shall be given access for review and audit of all records. The Applicant shall, at their location during hours of operation, make such information available. The Board may require the Applicant to annually submit audited financial statements.
(h) All advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization.
(i) Applicants shall enter into a written contractual agreement with the bona fide labor organization that has historically represented the same or similar classifications of employees at the nearest horse racing meeting.
(j) (1) The Board shall notify the Applicant in writing within 30 calendar days from the receipt date by the Board's administrative office if the Application is complete or deficient. If the Application is deficient, the notice shall include instructions as to what is required of the Applicant to complete the Application.
(2) If the applicant fails to submit all documents needed to complete the application within one year from the receipt date of the application by the Board, the Board shall purge said application and all documents submitted thereto and require resubmittal of an application if the applicant, thereafter, intends to procure a license pursuant to this section.
(k) The Board shall approve or deny an Application within 60 calendar days from the date the Application is deemed complete by the Board.
(l) If the Board denies an Application, the Applicant has 30 calendar days from the receipt date of the Board's denial notification to request a reconsideration of the Board's decision. The request must be in writing and sent to the Board's administrative office. The Board shall respond in writing to the reconsideration request within 30 working days from the receipt date of the request. If reconsideration is denied, the Applicant may file for judicial review in accordance with section 11523 of the Government Code.
(m) Subsequent to the issuance of a license to conduct Advance Deposit Wagering under this article, changes or amendments to information or operating procedures contained in an Application will be permitted by order of the Board or by Board approval of a request submitted in writing by the Applicant.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Sections 19460 and 19604, Business and Professions Code.

HISTORY:
1. Amendment filed 1-7-02; effective 1-7-02.
2. Amendment filed 1-28-20; effective 4-1-20.
3. Amendment filed 10-25-24; effective 1-1-25.

2072. Approval to Conduct Advance Deposit Wagering by an Out-of-State Applicant.

(a) Prior to an Account being established or wagering being conducted, the Applicant located out-of-state must be Board-approved. All approvals granted shall be subject to the provisions of Business and Professions Code section 19460 et. seq.

(b) An out-of-state Applicant shall complete an Application For Approval to Conduct Advance Deposit Wagering, CHRB-133 (Rev. 12/22), hereby incorporated by reference, which is available at the Board's administrative office. The Application must be filed not later than 90 days in advance of the scheduled start date of operation. A bond from a surety company admitted in the state of California or other form of financial security in the amount of $500,000 must accompany the Application. The term of approval is two years from the date the approval is issued.

(c) Out-of-state Applicants shall establish security access policies and safeguards pursuant to Business and Professions Code section 19604.

(d) Out-of-state Applicants that accept wagers from California residents shall provide a full accounting and verification of the source of the wagers and a detailed wagering information file that includes, but is not limited to, dollar amount wagered, pool on which the wager was placed, race number and racing venue, zone, breed, zip code of the Account Holder, time wagering stopped, and time of the wager in the form of a daily download of pari-mutuel data to the Board-designated database, CHRIMS, Inc., that is compatible with a Comma Delimited Text File.

(e) Out-of-state Applicants shall provide financial information that demonstrates the financial resources to operate Advance Deposit Wagering and provide a detailed budget that shows anticipated revenue, expenditures, and cash flows by month projected for the term of the approval.

(f) The Board may conduct investigations or inspections or request additional information from the out-of-state Applicant as it deems appropriate in determining whether to approve the Application.

(g) The Board, or its designee, shall be given access for review and audit of all records. The out-of-state Applicant shall, at their location during hours of operation, make such information available. The Board may require the out-of-state Applicant to annually submit audited financial statements.

(h) All advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization.

(i) (1) The Board shall notify the out-of-state Applicant in writing within 30 calendar days from the receipt date by the Board's administrative office if the Application is complete or deficient. If the Application is deficient, the notice shall include instructions as to what is required of the out-of-state Applicant to complete the Application.

(2) If the applicant fails to submit all documents needed to complete the application within one year from the receipt date of the application by the Board, the Board shall purge said application and all documents submitted thereto and require resubmittal of an application if the applicant, thereafter, intends to apply for an approval pursuant to this section.

(j) The Board shall approve or deny an Application within 60 calendar days from the date the Application is deemed complete by the Board.

(k) If the Board denies an Application, the out-of-state Applicant has 30 calendar days from the receipt date of the Board's denial notification to request a reconsideration of the Board's decision. This request must be in writing and sent to the Board's administrative office. The Board shall respond in writing to the reconsideration request within 30 working days from the receipt date of the request. If reconsideration is denied, the out-of-state Applicant may file for judicial review in accordance with section 11523 of the Government Code.

(l) Subsequent to the issuance of an approval to conduct Advance Deposit Wagering under this article, changes or amendments to information or operating procedures contained in an Application will be permitted by order of the Board or by Board approval of a request submitted in writing by the Applicant.

(m) As a condition of approval, the out-of-state Applicant shall designate a California agent for receipt of service of process.

(n) By submitting the Application, the out-of-state Applicant consents to the jurisdiction of California courts

and the application of California law as to all California wagers and operations.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Sections 19460 and 19604, Business and Professions Code.

HISTORY:
1. Amendment filed 1-7-02; effective 1-7-02.
2. Amendment filed 1-28-20; effective 4-1-20.
3. Amendment filed 10-25-24; effective 1-1-25.

2073. Operation of an Advance Deposit Wagering Account for All Entities.
(a) The entity may suspend or close an Account. Any Account with no activity for at least six months may be closed. When an Account is closed the entity shall return any funds within five business days to the Account Holder at the address of record.
(b) Funds shall be in an interest bearing Account.
(c) Funds in an Account shall not bear interest to the Account Holder.
(d) Residents of California shall not be charged a surcharge on any winning wager.
(e) Wagers shall be accepted during the days and times designated as operating on the CHRB-132 for California entities and the CHRB-133 for entities outside California. The entity may close for receiving wagers on any pari-mutuel pool, race(s), or close for all wagering. Anytime the entity closes during the times designated as operating on the CHRB-132 and CHRB-133 a written report shall be filed with the Board within two business days.
(f) All wagering conversations, transactions or other wagering communications through the Advance Deposit Wagering system, verbal or electronic, shall be recorded by means of electronic media, and the tapes or other records of such communications shall be kept by the entity for 180 days. The tapes and other records shall be made available to the Board upon request or order by the Executive Director.
(g) The total amount of all Account wagers shall be included in the respective pools for each race and shall be combined into the licensee's pools or directly into the corresponding pools of the host track.
(h) Accounts are for personal use only and the Account Holder is responsible to maintain the secrecy of the Account Number and Means of Personal Identification. The Account Holder must immediately notify the entity of any breach of the Account's security.
(i) Upon request of the Account Holder the entity shall provide a statement detailing Account activity for the immediate 30 days prior to the request. Unless the entity receives written notice disputing the statement within 14 days of the date a statement is forwarded, it shall be deemed to be correct.
(j) The address provided or the application to establish an Account is deemed the address of record for mailing checks, statements of Account, Account withdrawals, notices, or other correspondence. It is the responsibility of the Account Holder to notify the entity of any address change.
(k) No employee or agent of the entity shall divulge any Confidential Information related to the placing of any wager or any Confidential Information related to the operation of the Advance Deposit Wagering system without the consent of the Account Holder, except to the Account Holder as required by this article, the Board, and as otherwise required by state of federal law.
(l) Account Holders shall designate if they want to use a credit card to make deposits to their Account. Changes to the designation shall require 24 hours' notice to the entity.

NOTE:
Authority cited: Sections 19440, 19590 and 19604, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-7-2002; operative 1-7-2002.

2. Amendment of subsection (f) and repealer of subsection (m) filed 3-4-2009; operative 4-3-2009.

2074. Requirements to Establish an Advance Deposit Wagering Account with a California Entity.

(a) Accounts shall be established in person, by mail, telephone or Other Electronic Media before any wagering shall be conducted. An Account shall only be established in the name of a natural person and is non-transferable.

(b) Any individual prohibited from wagering under Rule 1980 shall be prohibited from establishing an Account or placing a wager.

(c) The information required to establish an Account shall include:

(1) Account Holder's full legal name.

(2) Principal residence address.

(3) Telephone number.

(4) Social security number.

(5) Identification or certification to prove the Account Holder is at least 18 years of age.

(6) Whether the Account Holder wants to use a credit card to make deposits to their Account.

(d) The entity shall employ electronic verification with respect to each Account Holder's name, principal residence address, date of birth and Social Security number at the time of Account establishment by a Board-approved national, independent, individual reference company or another independent technology approved by the Board which meets or exceeds the reliability, security, accuracy, privacy and timeliness provided by individual reference service companies.

(e) The entity may refuse to establish an Account if it is found that any of the information supplied is untrue or incomplete.

(f) When an Account is established the entity shall designate an Account Number for each Account. The number can be changed provided the Account Holder is informed prior to any change.

(g) The Account Holder shall designate a Means of Personal Identification to use to access their Account.

(h) The entity shall inform the Account Holder of the assigned Account Number and provide a copy of its Advance Deposit Wagering procedures, terms and conditions as well as any information that pertains to the operation of the Account.

(i) Each entity shall, at all times, comply with Internal Revenue Service (IRS) requirements for reporting and withholding proceeds from Advance Deposit Wagers by Account Holders and shall send to Account Holders subject to IRS reporting or withholding a Form W2-G summarizing the information for tax purposes following a winning wager being deposited into an Account. Upon written request, the entity shall provide Account Holders with summarized tax information on Advance Deposit Wagering activities.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-3-2002; operative 1-3-2002 pursuant to Government Code section 11343.4.

2075. Requirements to Establish an Advance Deposit Wagering Account with an Out-of-State Hub.

(a) Accounts shall be established in person, by mail, telephone or Other Electronic Media before any wagering shall be conducted. An Account shall only be established in the name of a natural person and is non-transferable.

(b) Any individual prohibited from wagering under Rule 1980 shall be prohibited from establishing an Account or placing a wager.

(c) The information required to establish an Account shall include:

(1) Account Holder's full legal name.

(2) Principal residence address.

(3) Telephone number.
(4) Social Security number.
(5) Identification or certification to prove the Account Holder is at least 18 years of age.
(6) Whether the Account Holder wants to use a credit card to make deposits to their Account.

(d) The Hub shall employ electronic verification with respect to each Account Holder's name, principal residence address, date of birth and Social Security number at the time of Account establishment by a Board-approved national, independent, individual reference company or another independent technology approved by the Board which meets or exceeds the reliability, security, accuracy, privacy and timeliness provided by individual reference service companies.

(e) The Hub may refuse to establish an Account if it is found that any of the information supplied is untrue or incomplete.

(f) When an Account is established the Hub shall designate an Account Number for each Account. The number can be changed provided the Account Holder is informed prior to any change.

(g) The Account Holder shall designate a Means of Personal Identification to use to access their Account.

(h) The Hub shall inform the Account Holder of the assigned Account Number and provide a copy of its Advance Deposit Wagering procedures, terms and conditions as well as any information that pertains to the operation of the Account.

(i) Each Hub shall, at all times, comply with Internal Revenue Service (IRS) requirements for reporting and withholding proceeds from Advance Deposit Wagers by Account Holders and shall send to Account Holders subject to IRS reporting or withholding a Form W2-G summarizing the information for tax purposes following a winning wager being deposited into an Account. Upon written request, the Hub shall provide Account Holders with summarized tax information on Advance Deposit Wagering activities.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-3-2002; operative 1-3-2002.

2076. Deposits to an Advance Deposit Wagering Account with All Entities.

(a) Deposits to an Account shall be made in the following form:
(1) Cash deposits made directly.
(2) Personal checks, cashier's checks and money orders made directly or mailed.
(3) Debits to an Account Holder's credit card or debit card, upon direct instructions of the Account Holder, providing the use of such card has been pre-approved by the entity and designated by the Account Holder.
(4) Debits by electronic fund transfer (EFT) from a monetary account controlled by an Account Holder. The Account Holder may be liable for any charges imposed by the transmitting or receiving entity and the charges may be deducted from the Account Holder's Account.

(b) Cashier's checks, money orders and EFTs shall be given immediate credit upon presentation. Credit cards or debit cards shall be given immediate credit upon authorization from the issuer.

(c) Entities shall disclose their policy regarding the acceptance of personal checks to the Account Holder.

NOTE:
Authority cited: Sections 19440, 19590 and 19604, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.
HISTORY:

1. New section filed 1-7-2002; operative 1-7-2002.

2077. Placing an Advance Deposit Wager with all Entities.

(a) Debits to an Account shall be made in the following form:

(1) The entity shall debit the amount wagered by an Account Holder.

(2) Wagers shall not be accepted in an amount in excess of an Account balance.

(3) The entity may debit the Account for service or other transaction-related charges.

(4) The entity may debit the Account for purchases of horse racing related merchandise and services requested by an Account Holder.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-3-2002; operative 1-3-2002.

2078. Withdrawals from an Advance Deposit Wagering Account with All Entities.

(a) Withdrawals shall be completed within five business days after the entity receives a request from an Account Holder by mail, by telephone, or Other Electronic Media accompanied by the valid Account Number and a Means of Personal Identification or, if by mail, a signed completed Withdrawal Slip.

(1) If sufficient funds are available, the entity shall send a check payable to the Account Holder in the amount of the requested withdrawal to the address of record.

(2) If sufficient funds are not available, the entity shall, within five business days of receipt, provide notification to the Account Holder of insufficient funds and send a check payable to the Account Holder in the amount of the funds available to the address of record.

(b) An EFT may be used in lieu of a check at the discretion of the Account Holder and the entity subject to the same conditions set forth in Rule 2076.

(c) Account Holders may make withdrawals in person with such identification as required by the entity, the valid Account Number, and a Means of Personal Identification.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-10-2002; operative 1-10-2002.

2079. Credit for Winning Wagers and Scratched Entries.

The Licensee, Betting System, CA Hub or out-of-state Hub shall post credits for winnings from advance deposit wagers and any credit for wagers on a scratched entry to the Account after the race is declared official.

NOTE:
Authority cited: Sections 19440, 19590 and 19604, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-3-2002; operative 1-3-2002.

2080. Proceeds from a Deceased Account Holder.

If an Account Holder is deceased the Licensee, Betting System, CA Hub or out-of-state Hub shall release the funds in the Account to the decedent's legal representative upon receipt of a copy of a probate court authorization or other documents as required by applicable California or other state laws.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-3-2002; operative 1-3-2002.

2081. Market Access Fee for Wagers Placed by a California Resident.
(a) The entity taking the wager shall pay to the appropriate California Licensee a market access fee based upon the amount of the handle generated by a resident of California as stipulated in the contractual agreement between the entity and the California Licensee and as specified and approved by the Board.
(b) The market access fee shall be equal to the amount of the wagers less payment of the winning wagers and the contractual compensation and host fee, if any.
(c) Such wagers are to be included in the appropriate pools of the host racing association and daily downloads of the details of the wager(s) will be made to the pari-mutuel database designated by the Board.

NOTE:
Authority cited: Sections 19440 and 19590, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-18-2002; operative 1-18-2002.

2082. Interest Bearing Accounts.
The first $250,000 in interest earned on California resident's Accounts shall be transferred annually, split between the corresponding horsemen's welfare fund and the backstretch pension plan for the benefit of backstretch employees. Interest in excess of $250,000 shall be transferred annually, split between the corresponding horsemen's organizations for purses as designated in Business and Professions Code Section 19613.

NOTE:
Authority cited: Sections 19440, 19590 and 19604, Business and Professions Code.
Reference: Sections 19604 and 19613, Business and Professions Code.

HISTORY:
1. New section filed 1-7-2002; operative 1-7-2002.

2083. Advanced Deposit Wagering Prohibited.
(a) Individuals prohibited from wagering under Rule 1969 shall be prohibited from placing an advance deposit wager while on duty at a race meeting, simulcast wagering facility or an advance deposit wagering facility located in California.

(b) Individuals working at an out-of-state Hub shall be prohibited from placing an advance deposit wager while on duty.
NOTE:

Authority cited: Sections 19440, 19590 and 19604, Business and Professions Code.
Reference: Section 19604, Business and Professions Code.

HISTORY:
1. New section filed 1-4-2002; operative 1-4-2002.

TITLE 4, DIVISION 4, ARTICLE 28. BACKSTRETCH WORKER HOUSING

2100. General Provisions.

Backstretch worker housing that is provided by an association shall be maintained in accordance with this article and shall be kept free from debris, garbage, vermin and other matter that may be hazardous to the health and safety of backstretch workers.

NOTE:
Authority cited: Sections 19440 and 19481.5(b), Business and Professions Code.
Reference: Section 19481.5, Business and Professions Code; and Section 17920.3, Health and Safety Code.

HISTORY:
1. New article 28 (sections 2100-2105) and section filed 5-7-2002 as an emergency; operative 5-7-2002 (Register 2002, No. 19). Pursuant to Business and Professions Code section 19481.5(b)(3), a Certificate of Compliance must be transmitted to OAL by 11-7-2003 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 5-7-2002 order transmitted to OAL 8-19-2003 and filed 9-23-2003 (Register 2003, No. 39).

2101. Definitions.

As used in this article:
(a) “Backstretch worker” means a person required to be licensed under Rule 1481(c) of this division.
(b) “Backstretch worker housing”, “habitable room” means any structure or portion of a structure whose primary purpose is for sleeping or living and is located within the restricted area of the inclosure as defined in Rule 1420(v) of this division.
(c) “Damaged” means property in a condition in which its worth or usefulness is impaired. Damage includes, but is not limited to backstretch worker housing whose components are split, buckled, sagging, rotting, broken, or defective.
(d) “Substandard housing” means backstretch worker housing or a habitable room, or any portion thereof, for which, through lack of maintenance or repair, there exists any of the following conditions to an extent that endangers the health, safety, or welfare of the occupants:
(1) Lack of toilet or privy structure, bathtub or shower, or hot and cold running water.
(2) Plumbing fixtures and piping that have become unsanitary or damaged.
(3) Lack of exterior wall or roof covering adequate to protect the occupants from the elements.
(4) Damaged exterior wall or roof coverings.
(5) Damaged windows, exterior window coverings, or doors.
(6) Lack of natural light and ventilation.
(7) Damaged interior walls, ceilings, or floors.
(8) Lack of interior flooring adequate to protect occupants from the elements.
(9) Dampness of habitable rooms.
(10) Lack of garbage and rubbish removal as required under Rule 3010 of this article.
(11) Infestation of insects, rodents, or other vermin.
(12) Lack of smoke detector in working order.
(13) Lack of emergency evacuation plan as required under Rule 1928 of this division.

NOTE:
Authority cited: Sections 19440 and 19481.5, Business and Professions Code.
Reference: Section 19481.5, Business and Professions Code; and Section 17920.3, Health and Safety Code.

HISTORY:
1. New section filed 5-7-2002 as an emergency; operative 5-7-2002 (Register 2002, No. 19). Pursuant to Business and Professions Code section 19481.5(b)(3), a Certificate of Compliance must be transmitted to OAL by 11-7-2003 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 5-7-2002 order transmitted to OAL 8-19-2003 and filed 9-23-2003 (Register 2003, No. 39).
3. Change without regulatory effect amending subsections (d)(1) and (d)(12) filed 10-14-2004 pursuant to section 100, title 1, California Code of Regulations (Register 2004, No. 42).
4. Amendment filed 6-26-24; effective 10-1-24.

2102. Backstretch Worker Housing Inspection Required.
(a) Associations and racing fairs that provide backstretch worker housing shall, at least annually, submit to an inspection of such housing. The inspection shall be conducted by a designated representative of the Board with assistance from the California Department of Housing and Community Development or a local housing authority for the jurisdiction in which the track is located.
(b) Racing Fairs with race meetings of 19 days or less shall comply with this section contingent upon the provisions of Business and Professions Code Section 19481.5(b)(3).
(c) No license to conduct a horse racing meeting shall be issued unless the applicant association's backstretch worker housing is found to be in compliance with the standards established in this article.
(d) The Board shall be reimbursed by the association or racing fair for the costs incurred to conduct the backstretch worker housing inspection.

NOTE:
Authority cited: Sections 19440 and 19481.5(b), Business and Professions Code.
Reference: Section 19481.5, Business and Professions Code.

HISTORY:
1. New section filed 5-7-2002 as an emergency; operative 5-7-2002 (Register 2002, No. 19). Pursuant to Business and Professions Code section 19481.5(b)(3), a Certificate of Compliance must be transmitted to OAL by 11-7-2003 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 5-7-2002 order, including amendment of subsection (a), transmitted to OAL 8-19-2003 and filed 9-23-2003 (Register 2003, No. 39).
3. Change without regulatory effect amending section filed 10-14-2004 pursuant to section 100, title 1, California Code of Regulations (Register 2004, No. 42).

2103. Habitable Rooms.
(a) Habitable rooms used for sleeping shall have natural light by means of at least one exterior window that, if it can be opened, has screening with a tight fitting frame. Natural ventilation shall be provided by exterior openings that can be opened or, in lieu of exterior openings, a mechanical ventilating system.
(b) Habitable room exterior doors shall be tight fitting and outfitted with door sweeps.
(c) Interior walls, ceilings, and floors of habitable rooms may not be damaged or cause exposure to outside elements or exposed earth.
(d) Habitable rooms shall be provided with electrical switches, outlets, and at least one electric light.

Electric components in a habitable room shall be installed to state or local building codes and maintained in a manner that does not endanger the health or safety of the occupants.
(e) Habitable rooms used for sleeping shall be provided with battery operated smoke detectors that shall be maintained in working order. An emergency evacuation plan shall be posted in backstretch worker housing areas as provided under Rule 1928 of this division.
(f) The dimensions of a habitable room shall not be less than seven feet in any direction and shall provide not less than 50 square feet of space per person.

NOTE:
Authority cited: Sections 19440 and 19481.5, Business and Professions Code.
Reference: Section 19485.1, Business and Professions Code.

HISTORY:
1. New section filed 5-7-2002 as an emergency; operative 5-7-2002 (Register 2002, No. 19). Pursuant to Business and Professions Code section 19481.5(b)(3), a Certificate of Compliance must be transmitted to OAL by 11-7-2003 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 5-7-2002 order, including amendment of subsection (a), transmitted to OAL 8-19-2003 and filed 9-23-2003 (Register 2003, No. 39).
3. Change without regulatory effect amending subsection (e) filed 10-14-2004 pursuant to section 100, title 1, California Code of Regulations (Register 2004, No. 42).
4. Amendment filed 6-26-24; effective 10-1-24.

2104. Sanitation Facilities.
Toilet rooms and bath and shower rooms shall be provided separately for each sex, shall be lighted, ventilated to the outside atmosphere, and shall have hot and cold running water under pressure. All such rooms, and the fixtures, equipment, and plumbing therein, shall be maintained in a state of working order and free from dirt, filth and corrosion.

NOTE:
Authority cited: Sections 19440 and 19481.5(b), Business and Professions Code.
Reference: Section 19481.5, Business and Professions Code.

HISTORY:
1. New section filed 5-7-2002 as an emergency; operative 5-7-2002 (Register 2002, No. 19). Pursuant to Business and Professions Code section 19481.5(b)(3), a Certificate of Compliance must be transmitted to OAL by 11-7-2003 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 5-7-2002 order, including amendment of section, transmitted to OAL 8-19-2003 and filed 9-23-2003 (Register 2003, No. 39).

2105. Pest Control.
(a) The association shall conduct a program of abatement to control the presence of rodents, flies, cockroaches, mosquitoes, and other vermin in and around backstretch worker housing. The methods of control shall include, but not be limited to:
(1) The daily removal of all materials that contribute to the breeding and harboring of vermin, such as horse excrement, garbage, refuse, or any other putrid or offensive animal or vegetable matter.
(2) A program of spraying or baiting for insects or rodents.

NOTE:

Authority cited: Sections 19440 and 19481.5(b), Business and Professions Code.
Reference: Section 19481.5, Business and Professions Code.

HISTORY:
1. New section filed 5-7-2002 as an emergency; operative 5-7-2002 (Register 2002, No. 19). Pursuant to Business and Professions Code section 19481.5(b)(3), a Certificate of Compliance must be transmitted to OAL by 11-7-2003 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 5-7-2002 order, including amendment of subsection (a), transmitted to OAL 8-19-2003 and filed 9-23-2003 (Register 2003, No. 39).

BUSINESS AND PROFESSIONS CODE,
DIVISION 8. SPECIAL BUSINESS REGULATIONS,
CHAPTER 4. HORSE RACING

Article 1. General Provisions and Definitions

19400.
This chapter shall be known and may be cited as the “Horse Racing Law.”

19401.
The intent of this chapter is to allow parimutuel wagering on horse races, while:
(a) Assuring protection of the public.
(b) Encouraging agriculture and the breeding of horses in this state.
(c) Providing for maximum expansion of horse racing opportunities in the public interest.
(d) Providing uniformity of regulation for each type of horse racing.

19402.
Except where the context otherwise requires, the definitions set forth in this article govern the construction of this chapter.

19403.
“Association” means any person engaged in the conduct of a recognized horse race meeting.

19403.5.
“Barrel race” means a horse race around a course with three barrels placed in a triangular pattern which may conform to the requirements of the Women’s Professional Rodeo Association. Two barrel racecourses may be run simultaneously in the form of a heat.

19404.
“Board” means the California Horse Racing Board within the Business, Consumer Services, and Housing Agency.

19405.
“Breakage” means the odd cents by which the amount payable on each dollar wagered exceeds a multiple of ten cents ($0.10).

19406.
(a) A “California-bred horse” is a foal dropped by a mare in California after being conceived in California and remaining in California until the foal is weaned.
(b) A “California-bred thoroughbred” is a horse dropped by a mare in California after being conceived in California, or any thoroughbred horse dropped by a mare in California if the mare remains in California to be next bred to a thoroughbred stallion standing in California. If the mare cannot be bred for two successive breeding seasons but remains in California during that period, her foal shall be considered to be a California-bred thoroughbred.
(c) A “California-bred quarter horse” is a quarter horse foal conceived in California by a stallion standing in California at the time of conception.
(d) A “California-bred standardbred horse” is a standardbred foal conceived by a stallion registered with the California Standardbred Sires Stakes Program.
(e) A “California-bred Appaloosa horse” is a horse dropped by a mare in California after being conceived in California, or any Appaloosa horse dropped by a mare in California if the mare remains in California to

be next bred to an Appaloosa stallion standing in California. If the mare cannot be bred for two successive breeding seasons but remains in California during that period, her foal shall be considered to be a California-bred Appaloosa horse.
(f) A “California-bred paint horse” is a registered paint horse foal conceived in California by a stallion standing in California at the time of the conception, or by a registered paint horse stallion.
(g) A “California-sired horse” is a thoroughbred that was conceived in California by a registered California stallion. A California-sired horse is only eligible for entry in races restricted to California-bred or California-sired horses and is not eligible for any breeder or owner awards.

19407.
“Charity days” means racing days granted to a licensed racing association for the purpose of contributing net proceeds from such days to charitable organizations. Charity days are part of a regular race meeting and do not constitute a separate meeting.

19407.5.
“Executive director” means the Executive Director of the California Horse Racing Board.

19407.6.
“Foaling date” means the date the horse is dropped by a mare as stated on the papers of registration.

19408.
“Fund” means the Fair and Exposition Fund.

19408.1.
“Graded stake” means an international classification for major thoroughbred stakes races established in each country by its thoroughbred racing regulatory body.

19408.2.
“Claiming race” means a race in which any horse entered therein may be claimed in conformity with the rules established by the board.

19408.3.
“Stakes race” means a race for which owners of horses entered or engaged for the race contribute to a purse for which money or any other prize may be added, nominations to which close 72 hours or more before starting; or an invitational race or invitational handicap race for which owners do not contribute to the purse, but which is advertised in the regular stakes program.

19409.
A “standardbred horse” is any horse (including mare, gelding, colt and filly) that meets the requirements of and is registered by the United States Trotting Association, including foreign horses meeting the requirements of the United States Trotting Association. For the purposes of this section, this definition shall also apply to the term “harness horse.”

19409.5.
“Harness horse racing” is that form of horseracing in which “Standardbred horses” as defined in Section 19409 are harnessed to a sulky or similar vehicle, and are raced at either the trotting or pacing gait.

19410.
“Inclosure” means all areas of the racing association’s or fair’s grounds and locations, as designated by

the racing association or fair licensed to conduct a live racing meeting and approved by the board.

19410.5.
(a) The “inclosure-restricted” is that part of the inclosure that is enclosed by a wall, fence, or other physical barrier, where admission is obtained only upon the presentation of authorized credentials.
(b) The “inclosure-public” means all other areas of the inclosure designated by a racing association, fair, or simulcast wagering facility and approved by the board to which the public is admitted for the purpose of wagering on horseraces.

19410.7.
“Minisatellite wagering site” means a location where satellite wagering may be conducted, with the approval of the board, provided that the wagering occurs in an area that is restricted to those who are 21 years of age or older.

19410.8.
“Show jumping race” means a horse race, over obstacles made of artificial or natural material, which is shorter than a steeplechase course, and is run by horses for time with faults converted to time. Requirements and rules for a show jumping race may conform to the requirements and rules of the American Horse Shows Association.

19411.
“Parimutuel wagering” is a form of wagering in which bettors either purchase tickets of various denominations, or issue wagering instructions leading to the placement of wagers, on the outcome of one or more horse races. The association distributes the total wagers comprising each pool, less the amounts retained for purposes specified in this chapter, to winning bettors based on the official race results.

19411.1.
“Handle” means the aggregate contributions to parimutuel pools.

19412.
(a) “Conventional parimutuel pool” means the total wagers under the parimutuel system on any horse or horses in a particular race to win, place, or show.
(b) “Exotic parimutuel pool” means the total wagers under the parimutuel system on the finishing position of two or more horses in a particular race, such as quinella or exacta wagers, or on horses to win two or more races, such as daily double wagers, pick six wagers, or on other wagers approved by the board.
(c) “Proposition parimutuel pool” means the total wagers under the parimutuel system on propositions approved by the board that are based on the results of a live thoroughbred horse, quarter horse, or harness horse race or races.

19413.
“Person” includes any individual, partnership, corporation, or other association or organization.

19413.1.
“Prohibited drug substance” is any drug substance, medication, or chemical, whether natural or synthetic, or a metabolite or analogue thereof, foreign to the horse, whose use is not expressly authorized by the board. This includes, but is not limited to, any substance determined to be a stimulant, depressant, local anesthetic, or narcotic, or any drug, regardless of how harmless or innocuous it might otherwise be, which could interfere with the detection of any prohibited drug. “Prohibited drug substance” includes any

substance not approved for use in the United States, including, but not limited to, any drug or substance available in a country outside the United States, any controlled substance listed in Part 1308 of Title 21 of the Code of Federal Regulations, and any substance the approval of which has been withdrawn.

19413.2.
“Standardbred breeder” means the owner of the dam of a standardbred foal at the time the foal was conceived.

19413.4.
“Registered California standardbred stallion” means a stallion that is registered with the United States Trotting Association and listed in the official California Standardbred Stallions Registry maintained by the California Horse Racing Board or its designee as provided for in Section 19566.6.

19413.5.
“Quarter horse” is any horse (including mare, gelding, colt and filly) that meets the requirements of and is registered by the American Quarter Horse Association.

19414.
“Quarter horse racing” means that form of horse racing in which the participating horses are “quarter horses” as defined in Section 19413.5, and are ridden by jockeys in races over distances of not more than five and one-half furlongs.

19414.5.
(a) “Racing days” are days on which a licensed racing association or fair is authorized by the board to conduct horse racing.
(b) “Racing weeks” are seven consecutive days during which a licensed racing association or fair is authorized by the board to conduct horse racing for a minimum of five racing days. The board, however, upon joint petition of the association or fair and the organization representing horsemen participating in the meeting of that association or fair, may authorize the conduct of horse racing for less than five racing days. Fractional racing weeks of four days or less may be authorized by the board at the beginning and end of any horse racing meeting. Fractional weeks may also be authorized during weeks containing holidays and during periods of overlap with thoroughbred meetings and fairs if the total number of weeks authorized by the board in any calendar year for each breed does not exceed the maximum annual allocation of racing weeks provided for in Article 6 (commencing with Section 19530). If a licensed racing association holds a split meeting, each part of the split meeting shall be deemed a horse racing meeting solely for the purposes of authorizing fractional racing weeks.

19415.5.
“Split meeting” means a meeting having two periods of racing separated by at least 45 days, one period which is no more than 18 consecutive weeks in length and the other period which is no less than four consecutive weeks in length. The “short period” of a split meeting is the period of lesser duration.

19415.8.
“Steeplechase race” means horse racing over obstacles made of natural or artificial material and includes both hurdle and timber races. Rules for a steeplechase race may conform to rules of the National Steeplechase and Hunt Association.

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“Steeplechase race” means horse racing over obstacles made of natural or artificial material and includes

both hurdle and timber races. Rules for a steeplechase race may conform to rules of the National Steeplechase and Hunt Association.

19416.
“Thoroughbred horse” is any horse (including mare, gelding, colt and filly) that meets the requirements of and is registered by the Jockey Club of New York, including racing permits issued to foreign thoroughbred horses.

19416.5.
“Appaloosa horse” is any horse (including mare, gelding, colt and filly) that meets the requirements of and is registered by the Appaloosa Horse Club and approved by the Appaloosa Horse Club.

19416.6.
“Arabian horse” is any horse (including mare, gelding, colt and filly) that meets the requirements of and is registered by the Arabian Horse Registry of America, Inc.

19416.7.
“Paint horse” is any horse, including mare, gelding, colt, and filly, that meets the requirements of and is registered by the American Paint Horse Association.

19417.
“Thoroughbred racing” is the form of horse racing in which each participating horse is a “thoroughbred” (as herein defined), is mounted by a jockey and engages in races on the flat but does not include a steeple- chase or hurdle race.

19417.5.
“Appaloosa racing” is the form of horse racing in which each participating horse is an Appaloosa horse, is mounted by a jockey, and engages in races on the flat over a distance of not less than one-quarter of a mile or more than four miles.

19417.6.
“Arabian racing” is the form of horse racing in which each participating horse is an Arabian horse, is mounted by a jockey and engages in races on the flat over a distance of not less than one-quarter of a mile or more than four miles.

19417.7.
“Paint racing” is the form of horse racing in which each participating horse is a paint horse, is mounted by a jockey and engages in races on the flat over a distance of not less than 220 yards or more than four miles.

19418.
(a) “Fair” or “state-designated fairground” for purposes of this chapter means the California Exposition and State Fair in the City of Sacramento, an organization described in subdivision (b) or (c), and those fairs specified in Sections 3102, 3103, and 3104 of the Food and Agricultural Code that are engaged now or in the future as associations in the conduct of a recognized horse racing meeting or otherwise participate in horse racing activities licensed or approved by the board.
(b) A nonprofit organization that holds an annual fair pursuant to Section 4163 of the Food and Agricultural Code may elect to be a member of the network of California fairs on terms and conditions mutually agreed upon by the Department of Food and Agriculture and the nonprofit organization.

(c) A joint powers agency that holds an annual fair pursuant to Section 4171 of the Food and Agricultural Code may elect to be a member of the network of California fairs on terms and conditions mutually agreed upon by the Department of Food and Agriculture and the joint powers agency.

19419.9.
The provisions of this chapter insofar as they are substantially the same as existing code provisions relating to the same subject matter shall be construed as restatements and continuations thereof, and not as new enactments.

Article 2. General Administration and Enforcement

19420.
Jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board.

19421.
The board consists of seven members, appointed by the Governor.
Each member shall hold office for a term of four years, commencing at the expiration of the previous term.
The term of the members of the board in office on January 1, 1959, shall expire as follows: one member July 26, 1959, one member July 26, 1960, and one member July 26, 1961. The terms shall expire in the same relative order as to each member as the term for which he holds office on January 1, 1959.
The term of the members appointed pursuant to amendments made to this section during the 1977–1978 legislative session shall expire as follows: one on January 1, 1979 and one on January 1, 1982.
The term of the members appointed pursuant to amendments made to this section during the 1979–80 Regular Session of the Legislature shall expire as follows: one on January 1, 1982, and one on January 1, 1984.
Any vacancy shall be filled by the Governor for the unexpired term.
Each member shall be eligible for reappointment in the discretion of the Governor.

19422.
Each member of the board shall have been a resident of this State for two years next preceding his appointment.

19423.
A person is disqualified from membership on the board if the person, the person's spouse or any dependent child thereof:
(a) Holds a financial interest in any horse racing track.
(b) Holds a financial interest or position of management with any business entity which conducts parimutuel horse racing.
(c) Holds a financial interest in a management or concession contract with any business entity which conducts parimutuel horse racing.

19424.
No board member is disqualified from receiving a share of any purse awarded him as the result of any horse race as an owner of a horse or as a breeder of a California-bred horse.

19424.5.
In order to permit the full participation of horsemen and horsewomen who may be appointed to the board, the Legislature declares that the appointment of such persons is intended to represent and further the interests of horse owners and breeders pursuant to Section 19401, and that such representation and furtherance will ultimately serve the public interest. Accordingly the Legislature finds racehorse owners and breeders are tantamount to and constitute the public generally within the meaning of Section 87103 of the Government Code.

19425.
The members of the board shall receive a per diem of one hundred dollars ($100) for each day spent in attendance at meetings scheduled by the chairperson of the board for the purpose of fulfilling the duties of the board pursuant to this chapter, and shall be reimbursed for traveling and other expenses necessarily incurred in the performance of official duties.
Notwithstanding any other provision of law, any member of the board who is also a member of, and is entitled to receive the benefits from, the Legislators' Retirement System may elect to forego the compensation provided by this section and, if the compensation is foregone, the member shall not have his or her retirement benefits reduced and shall not be required to be reinstated into the retirement system.

19426.
The Governor may remove any board member for incompetence, neglect of duty or corruption upon first giving him a copy of the charges against him and an opportunity to be heard.

19427.
The board shall appoint such employees as may be necessary to carry out the provisions of this chapter.

19428.
The board shall appoint an executive director who shall receive the annual salary established by the board and approved by the Department of Personnel Administration. The executive director shall be the board's executive officer and shall carry out and execute the duties as specified by law and by the board.

19429.
A person is disqualified from employment by the board if the person, the person's spouse, or any dependent child thereof:
(a) Holds a financial interest in a horserace track.
(b) Holds a financial interest or position of management with an entity that conducts parimutuel horseracing.
(c) Holds a financial interest in a management or concession contract with a business entity that conducts parimutuel horseracing.

19430.
The salaries of the executive director, and other employees of the board, the per diem allowance of members of the board, and the necessary traveling and other expenses of the executive director and members of the board, shall be paid monthly by the State Treasurer on the warrant of the Controller and the certification of the chairperson of the board out of the money appropriated for that purpose.

19431.
(a) The board shall establish and maintain a general office for the transaction of its business in Sacramento. The board may establish any branch office for the transaction of its business at a place to be determined by it, and may hold meetings at any other place within the state when the interests of the

public may be better served.
(b) A public record of every vote shall be maintained at the board's general office and posted on the board's internet website.
(c) At least four members of the board shall concur in the taking of any official action or in the exercise of any of the board's duties, powers, or functions.

19431.5.
The board shall publish, on a weekly basis on its internet website, all racehorse fatalities related to racing or training that occur within a licensed inclosure.

19432.
The executive director shall keep a full and true record of all proceedings of the board, preserve at the board's general office all books, documents, and papers of the board, prepare for service such notices and other papers as may be required of him or her by the board, and perform such other duties as the board may prescribe.

19433.
The board may visit, investigate, and place expert accountants and such other persons as it may deem necessary in the office, track, or other place of business of any licensee for the purpose of satisfying itself that its rules and regulations are strictly complied with.

19434.
The board may require that the books and financial or other statements of any person licensed under this chapter shall be kept in any manner which to the board may seem best.

19435.
The board, its executive director, or the stewards, may issue subpoenas for the attendance of witnesses or the production of any records, books, memoranda, documents, or other papers or things, as is necessary to enable any of them to effectually discharge their duties, and may administer oaths or affirmations as necessary in connection therewith.

19436.
Any person subpoenaed who fails to appear at the time and place specified in answer to the subpoena and to bring any papers or things specified in the subpoena, or who upon such appearance, refuses to testify, or produce such records or things, is guilty of a misdemeanor.

19437.
Any person who testifies falsely under oath in any proceeding before, or any investigation by the board, its executive director, or the stewards, shall be guilty of a felony and shall be punished in the same manner prescribed by the Penal Code for the punishment of perjury.

19438.
All civil process in actions brought against the executive director or the board and all subpoenas for the production of board records shall be served upon the executive director or their designated representative at the board's headquarters in Sacramento.

19439.
In lieu of requiring an affidavit or other sworn statement in any application or other paper or document required to be filed with it, the board may require a certification thereof under the penalty of perjury, in

such form as the board may prescribe.
Any person who willfully makes and subscribes any such certificate which is materially false in any particular is guilty of a felony, and shall be punished in the manner prescribed by the Penal Code for the punishment of perjury.

19440.
(a) The board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the board shall include, but not be limited to, all of the following:
(1) Adopting rules and regulations that protect and advance the health, safety, welfare, and aftercare of racehorses.
(2) Adopting rules and regulations for the protection of the public and the control of horse racing and parimutuel wagering.
(3) Administration and enforcement of all laws, rules, and regulations affecting horse racing and parimutuel wagering.
(4) Adjudication of controversies arising from the enforcement of those laws and regulations dealing with horse racing and parimutuel wagering.
(5) Licensing of each racing association and all persons, other than the public at large, who participate in a horse racing meeting with parimutuel wagering.
(6) Allocation of racing dates to qualified associations in accordance with law.
(b) The board may delegate to stewards appointed pursuant to Article 5 (commencing with Section 19510) any of its powers and duties that are necessary to carry out fully and effectuate the purposes of this chapter.

19440.1.
(a) (1) Notwithstanding any other law, the board may enter into agreements with the authority and any other private, state, or federal entity that is responsible for administering the federal Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051 et seq.) for the purpose of providing services consistent with the enforcement of the horseracing antidoping and medication control program and the racetrack safety program, as authorized by Section 3054(e)(2) of Title 15 of the United States Code.
(2) Upon entering into an agreement pursuant to paragraph (1), the board's employees and contractors are authorized to provide all services contracted for under the agreement, including, but not limited to, representation in any administrative adjudicative enforcement proceeding, and general enforcement of the authority's horseracing antidoping and medication control program and racetrack safety program.
(3) An agreement entered into pursuant to paragraph (1) shall not be subject to state contracting laws or Department of General Services review or approval.
(b) On behalf of the authority, the board may collect and remit fees assessed by the authority to fund California's proportionate share of the authority's horseracing antidoping and medication control program and racetrack safety program, as authorized by Section 3052(f) of Title 15 of the United States Code. If the board elects to collect and remit fees on behalf of the authority, the board shall allocate, assess, and collect the fees assessed by the authority from those associations and fairs subject to the authority's jurisdiction in either of the following manners:
(1) From the remaining market access fees addressed by paragraph (5) of subdivision (f) of Section 19604, pursuant to the process described in subparagraph (E) of that paragraph.
(2) As part of the license fee established by Section 19616.51 using the methodology described in that section.
(c) Notwithstanding any other law, the board may elect to subject breeds other than thoroughbreds to the federal Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051 et seq.), as authorized by Section 3054(l) of Title 15 of the United States Code.
(d) For purposes of this section, "the authority" has the same meaning as defined in Section 3051 of Title

15 of the United States Code.

19440.5.
An annual audit shall be conducted of the financial books and records of the horsemen's organizations, including any subsidiaries of the horsemen's organizations, by a nationally recognized accounting firm as follows:
(a) With respect to pension funds received by those organizations pursuant to Sections 19533, 19613, and 19613.1, the audit shall be conducted within 90 days of the close of the fund's business year. The audit shall cover the period of time since the last audit, and a copy thereof shall be filed with the board, and the Senate and Assembly Committees on Governmental Organization.
(b) With respect to administrative funds and welfare funds received pursuant to Sections 19533, 19606.5, 19613, and 19641, the audit shall be conducted within 90 days of the close of the fund's business year. The audit shall cover the period of time since the last audit, and a copy thereof shall be filed with the board, and the Senate and Assembly Committees on Governmental Organization.
(c) The horsemen's organizations shall bear the cost of the audit.

19441.
The board shall annually make a full report to the Governor and the Legislature of its proceedings and the state of the business of horse racing for the preceding fiscal year, on or before January 31, and shall embody therein any recommendations deemed needed for improved functioning of the horse racing laws.

19441.2.
In its annual report required under Section 19441, the board shall include a tabulation of injuries, fatalities, and comparative accident rates for all racing and training venues within its jurisdiction. The report shall also include recommendations concerning the worker safety impacts of improvements in racetrack design, jockey equipment, racing procedures, and track and facility maintenance.

19442.2.
The board shall, if possible, designate at least one steward at each track where a horse racing meeting is conducted who is a former jockey or at least one steward at each track where a harness meeting is conducted who is a former driver.

19443.
The Attorney General and every district attorney shall enforce this chapter in their capacities as law enforcement officers.

19444.
In performing its responsibilities pursuant to this chapter, the board may do the following:
(a) Pay membership fees, join, and participate in the affairs of associations having for their purpose the interchange of information relating to racing law enforcement, the licensing of horse racing participants, the registration of race horses, and subjects relating to the duties of the board.
(b) Tabulate, analyze, and publish statistical information based upon parimutuel handles, attendance, distribution of parimutuel proceeds among fees, commissions, purses, and awards, and upon the breeding and production of race horses or other information relating to parimutuel wagering.
(c) Conduct research to determine more fully the cause and prevention of horse racing accidents, the effects of drug substances on the race horses, and the means for detection of foreign drug substances.

19446.1.
Notwithstanding any other provision of law, a veterinarian shall not administer medications to any horse

entered in the same race in which a horse is entered which he or she owns or trains.
In addition to any penalty provided for by this chapter or any other law, a violation of this section by any licensed veterinarian shall be grounds for denial, revocation, or suspension of a license or imposition of a fine pursuant to Section 4883 and the veterinarian shall be subject to disciplinary action pursuant to Article 4 (commencing with Section 4875) of Chapter 11 of Division 2.

19447.
If a question of consent is appealed to the board under subdivision (a) of Section 19601 or subdivision (f) of Section 19605.3, the board shall hold a hearing on the appeal. Notwithstanding any other provision of law, the board may hold a hearing pursuant to this section within 24 hours of noticing the hearing.

19448.
(a) The board shall submit to the Department of Justice fingerprint images and related information required by the Department of Justice of all of the following individuals pursuant to subdivision (u) of Section 11105 of the Penal Code:
(1) A current or prospective employee.
(2) A current or prospective contractor.
(3) A current or prospective holder of a license issued pursuant Section 19480.
(4) A racing official, as defined in Section 19510.
(5) A current or prospective holder of a license issued pursuant to Article 5.5 (commencing with Section 19520).
(b) The Department of Justice shall provide a state- or federal-level response pursuant to subdivision (p) of Section 11105 of the Penal Code.
(c) The board's chief of licensing and enforcement may investigate the criminal history of all persons listed in subdivision (a) in order to make a final determination of a person's fitness to perform duties.

Article 2.5. Backstretch Worker Labor Relations

19455.
(a) The Legislature finds and declares that Section 923 of the Labor Code recognizes that it is necessary that the individual worker have full freedom of association, self-organization, and designation of representatives of his or her own choosing, to negotiate the terms and conditions of his or her employment, and that he or she shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of representatives or in self-organization or in other concerted activities for the purpose of collective bargaining.
(b) The Legislature finds that the National Labor Relations Board has formally declined to assert jurisdiction over horse racing because of extensive state control over the industry, the dominant pattern of sporadic short-term employment which poses problems for the effective enforcement of the National Labor Relations Act, and a unique and special relationship that has developed between the states and the industry.
(c) It is the intent of the Legislature to establish an orderly procedure for backstretch employees to exercise their statutory rights to organize a labor union, in order to reduce the prospect of any strikes, disruptions, or economic action that would interfere with the operation of horse racing meetings in California.
(d) Except as provided in subdivision (e), the board shall oversee the conduct of a union recognition procedure for backstretch employees under the following conditions:
(1) Employees shall have the right to join, or refuse to join, a labor organization for purposes of collective bargaining and mutual aid and protection. Existing state-recognized organizations of trainers or horsemen established pursuant to the Horse Racing Law shall not use funds derived or distributed from parimutuel wagering pursuant to state law to advocate or advance any position with respect to

unionization of employees. Individual trainers and horsemen, and their agents, shall not coerce or threaten any employee of any trainer or horseman because of the exercise of rights pursuant to this article. No employee shall be discharged or discriminated against for expressing any opinion concerning the selection of a labor union or collective bargaining agent for employees under this article. No trainer or horseman, or group of trainers or horsemen, shall dominate or interfere with the formation or administration of any labor organization established under this article nor contribute financial or other support to it.

(2) The labor union and its representatives shall not coerce or threaten any employee of any trainer or horseman because of the exercise of rights pursuant to this article.

(3) Notwithstanding any other provision of law, within 30 days of a request by a bona fide labor organization representing workers in the horse racing industry in California, accompanied by a petition of 125 licensed backstretch workers, the board shall provide the labor organization with a list of all backstretch workers including the type of licenses they hold, their employer, the location at which they are employed, and their address and telephone number. The board may require of any trainer licensee information in the licensee's possession necessary to comply with this requirement. The labor union shall use this list solely for the purposes of this article, and maintain it in a manner, as the board may require, to preserve the integrity of horse racing. The board may impose an appropriate penalty for any other use.

(4) Every licensed trainer who employs backstretch employees shall file with the board, not later than February 1, 2002, and, within seven days of the commencement of each race meeting thereafter, a complete and accurate list of the names of its backstretch workers. In addition, every trainer shall file with the board a complete, accurate, and updated list within seven days of any changes which occur to the most recently filed list. The lists described in this section, together with any updates thereto, shall be provided within 72 hours after receipt by the board, to any bona fide labor organization which has requested copies thereof and submitted a petition containing the names of 125 backstretch workers pursuant to paragraph (3). Any request need only be made one time and the board shall thereafter be required to provide these lists and any updates thereto in accordance with the provisions of this section so long as a bona fide labor organization seeks to represent licensed backstretch workers.

(5) The labor union may obtain board recognition as the exclusive bargaining agent for employees of employers pursuant to the provisions and procedures described in paragraph (8).

(6) For the purposes of this article:

(A) "Backstretch employee" or "backstretch worker" means a person licensed by the board pursuant to subdivision (c) of Section 1481 of Division 4 of Title 4 of the California Code of Regulations.

(B) "Multiemployer bargaining unit" means any bargaining unit created and recognized pursuant to the terms of clause (iii) of subparagraph (A) of paragraph (8).

(C) "Approved election unit" means any election unit created and recognized pursuant to paragraph (7).

(7) There are four election units created and recognized pursuant to this section, as follows:

(A) Backstretch employees working for trainers of thoroughbred horses stabled at licensed racetracks, including fairs and approved auxiliary training facilities in the combined central and southern zones.

(B) Backstretch employees working for trainers of thoroughbred horses stabled at licensed racetracks, including fairs and approved auxiliary training facilities in the northern zone.

(C) Backstretch employees working for trainers of quarter horses stabled at licensed racetracks and approved auxiliary training facilities in the combined central and southern zones.

(D) Backstretch employees working for trainers of harness horses stabled at licensed racetracks, including fairs and approved auxiliary training facilities in the northern zone.

The board shall use the California State Mediation and Conciliation Service for all appropriate purposes of this act, including operations related to the conduct of recognition procedures and elections.

(8) (A) With respect to backstretch workers, a labor organization seeking recognition as the collective bargaining agent for these workers shall collect signed cards indicating individual worker's intent to be represented by that organization for collective bargaining purposes and submit those cards to the California State Mediation and Conciliation Service for review and validation. When the labor organization is in receipt of cards signed by workers equaling at least 30 percent of the employees in an election unit

described in paragraph (4), the California State Mediation and Conciliation Service shall conduct a secret ballot election with respect to the election unit as soon as is practicable thereafter, but in no event more than 30 calendar days after validation by the service of the cards.
Those backstretch employees entitled to vote in the election shall be those who appear on the licensed trainer's most recent list described in paragraph (3). However, each employer may update his or her list not more than 72 hours prior to the election. If it is determined by the stewards pursuant to the provisions in paragraph (11), that the employer filed an inaccurate or erroneous list with a willful intention to manipulate the results of an election, and that the inaccuracy or error may have affected the outcome of the election, the stewards shall decree that the employer lost the election, regardless of the actual outcome thereof, and the stewards shall issue an order to the trainer to negotiate with the union.
(i) Any election shall be conducted by the California State Mediation and Conciliation Service under rules established by the service consistent with standard practice. The rules shall be established no more than 60 days after the effective date of this section, shall be made available to the bona fide labor union and employers of backstretch employees, and shall be exempt from the Administrative Procedure Act. The rules shall provide for a secret ballot system for the conduct of the election pursuant to which ballots cast by backstretch employees of individual employers shall be cast by insertion into envelopes appropriately identified with respect to each employer. The envelopes shall be collected and tabulated in secret by the service, subject to observation by one representative designated by the bona fide labor organization and one representative designated by the organization representing trainers pursuant to subdivision (a) of Section 19613.2. Upon completion of the tabulation, the service shall issue a report certifying those employers, the majority of whose employees who participated in the election voted in favor of representation by the union. Those employers so certified shall be required to bargain with the labor union pursuant to this subdivision. All other employers shall not be required to negotiate with the union and there shall not be another election with respect to those employers for at least one year from the date of the prior election. The service shall not make public the numerical tabulation of votes by employer.
(ii) Protests over challenged ballots shall be resolved by the service in a consolidated hearing commencing no later than three business days after the election.
(iii) Within 45 days of the certification of the results of the election by the service to the board, those trainers who are required to bargain pursuant to this subparagraph may form multiple employer bargaining units in accordance with the provisions of this subdivision. Further, the organization representing trainers pursuant to subdivision (a) of Section 19613.2 shall conduct a meeting regarding the formulation of multiple employer bargaining units within five days of the certification of the results of the election. For licensed trainers described in subparagraph (A) of paragraph (7), the minimum number of backstretch employees employed by licensed trainers comprising the multiple employer bargaining unit as of the date of the election shall be the lesser of 100 employees or 10 percent of the total employees subject to bargaining. For licensed trainers described in subparagraphs (B), (C), and (D), of paragraph (7), the minimum number of backstretch employees employed by licensed trainers comprising the multiple employer bargaining unit as of the date of the election shall be the lesser of 50 employees or 10 percent of the total employees subject to bargaining. The minimum number of backstretch employees employed by licensed trainers in order to qualify as a multiple employer bargaining unit pursuant to this subdivision may, with the consent of the recognized labor union, be reduced. On or before the 45th day following the certification of the results of the election, each representative of a multiple employer bargaining unit formed pursuant to this subdivision shall notify the board and the exclusive collective bargaining agent, in writing, that a unit has been formed, disclose the names of the licensed trainers which comprise the unit, and indicate the number and names of the backstretch employees which are employed by the licensed trainers comprising the unit. Except to join another multiple employer bargaining unit, without the consent of the bona fide labor organization, a trainer who has elected to join a multiple employer bargaining unit may not thereafter elect to resign from the unit except within a 30-day period prior to the date of the expiration of the collective bargaining agreement resulting from the negotiations. The employees of a licensed trainer who has resigned from a multiple employer bargaining unit and has not joined another unit, shall not be entitled to petition to decertify the union for a period of

one year from the date of the expiration of the collective bargaining agreement which resulted from the negotiation between the union and the multiple employer bargaining unit of which he or she was formerly a member and which was in effect at the time of the trainer's resignation. Upon completion and certification of the election results the union shall be recognized as the exclusive collective bargaining agent for those workers whose employers are required to bargain, and the executive director of the board shall issue an order to affected employers to begin good faith negotiations for approval of employment agreements pursuant to the procedures set forth in this section.

(B) If an individual employer of backstretch workers declines to be represented in the multiemployer collective bargaining procedure described in clause (iii), the board shall issue an order to begin good faith negotiations for employment agreements on an individual employer basis. The board may provide mediation and conciliation services upon request of the parties at any time. If an employer is required under this subparagraph to collectively bargain with the union, and the parties do not reach an agreement within 90 days of the order, the board shall require the parties to participate in mandatory mediation and conciliation services for a period of 30 days. If no agreement results from this mediation, either or both parties may declare an impasse. Upon a party's declaration of an impasse, the executive director of the board shall appoint an arbitrator in the manner described in paragraph (11) to determine the issues and issue a final and binding order establishing the terms of a collective bargaining agreement.

(9) No labor agreement under this article shall apply to any trainer or horseman with respect to employment associated with fair meetings prior to January 1, 2003. After this date, employees shall be added by accretion into an existing contract where applicable. For racing meetings conducted in the central and southern zones during the first three months of any calendar year and for fair racing meetings, this section shall not apply to trainers who normally reside and work outside of California and who are engaged in racing in this state for a limited period of time, not exceeding 90 racing days in any calendar year. For any other racing meeting conducted during any calendar year, this section shall not apply to trainers, backstretch workers, or both, who normally reside and work outside of California and who are engaged in racing in this state for a limited period of time, not exceeding 50 racing days in any calendar year.

(10) Except as provided in subparagraph (A) of paragraph (8), at any time subsequent to the expiration of an agreement under paragraph (8), when the agreement is not in effect, the board may recognize a majority interest, obtained during this period in the same manner as union recognition of employees, within a multiple employer bargaining unit who no longer desire to be represented by the union, and withdraw the recognition granted pursuant to this section from that union. An employer may inform his or her employees that a process for decertification exists and direct them to the board for information. However, any card, signature, vote, or other indicator obtained for this purpose by means of coercion or threat or with the assistance or inducement of any employer shall be invalid.

(11) Disputes, other than disputes concerning the operation and application of ongoing contracts, disputes subject to binding interest arbitration pursuant to subparagraph (B) of paragraph (8), and economic disputes arising in the context of multiemployer bargaining pursuant to subparagraph (A) of paragraph (8), but including disputes concerning the rights established in paragraphs (1) and (2), upon complaint shall be adjudicated by the stewards. The stewards shall have the authority to order any remedy, including reinstatement of employment, injunctive relief, damages, and attorney's fees. An investigation and adjudication by the stewards shall be concluded as expeditiously as possible, consistent with applicable standards of due process. In addition, the board may require the parties to submit the issue to binding arbitration subject to judicial review in the same manner as decisions of the board. Disputes subject to this paragraph include disputes involving any backstretch employee or group of employees, and any trainer or group of trainers.

(12) Upon submission of a complaint to binding arbitration under any provision of this article, the executive director of the board shall select an arbitrator from a panel of professional arbitrators with expertise in labor negotiations selected by the California State Mediation and Conciliation Service or from a panel identified in collective bargaining agreements between labor organizations and employers in the horse racing industry in California, or both. The arbitrators selected by the service or identified in collective

bargaining agreements shall be available to resolve the matter expeditiously. The arbitrator selected by the executive director shall have the authority to convene an immediate hearing and require the parties to exercise all due diligence in promptly attending to the issue in controversy. In all matters pertaining to the rights established by this article, an arbitrator shall have the authority to fashion an appropriate remedy, including reinstatement of employment, injunctive relief, damages, and attorney's fees, and issuance of a make-whole remedy in the event of a persistent failure of a party to bargain in good faith. The board may take any administrative action within its authority to ensure compliance with decisions of arbitrators authorized by this section. Either party may also bring an action in state court to compel a party to go into arbitration or to enforce the decision of an arbitrator. Costs of arbitration shall be shared equally by the parties, and any party shall be entitled to recover any reasonable fees or costs incurred in securing compliance with or enforcement of an award or order of the arbitrator.
(e) Nothing in this section shall prevent a labor union and an individual trainer, or any group of trainers, from entering into a mutually acceptable agreement, which may substitute for the requirements of subdivision (d), for union organizing of employees of the horsemen or trainers. Nothing in this article shall be interpreted to require representative parties in negotiation to enter into any labor agreement, as long as each party is negotiating in a good faith effort to reach an agreement.

19455.2.
(a) The board shall provide for labor agreements under this article to be binding upon every applicable licensee.
(b) No horseman or trainer who has a separate agreement with the exclusive representative labor union shall be required to be a party to a multiemployer collective bargaining agreement.

19455.4.
The board may establish reasonable rules to regulate the time, place, and manner for representatives of labor unions to meet backstretch workers within the enclosure during working and nonworking hours. Those rules shall provide that the union and its representatives shall not interfere with the work of any employee, but shall have reasonable access to backstretch employees within the enclosure during working hours and nonworking hours, as determined by the board. With the approval of the board, these regulations may be superseded by collective bargaining agreements between horsemen's organizations or trainers' organizations and labor organizations.

Article 3. Licenses Generally

19460.
All licenses granted under this chapter:
(a) Shall be in writing.
(b) Are subject to all rules, regulations, and conditions prescribed by the board.
(c) Shall contain such conditions as are deemed necessary or desirable by the board for the best interests of horse racing and the purposes of this chapter.

19461.
Every license granted under this chapter is subject to suspension or revocation by the board in any case where the board has reason to believe that any condition regarding it has not been complied with, or that any law, including the Labor Code and the regulations adopted thereunder, or any rule or regulation of the board affecting it has been broken or violated. All proceedings to revoke a license shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code.

19461.1.
(a) The withdrawal of an application for a license after it has been filed with the board shall not, unless the board has consented in writing to the withdrawal, deprive the board of its authority to institute or continue a proceeding against the applicant for the denial of the license upon any ground provided by law, or to enter an order denying the license upon any of those grounds.
(b) The suspension, expiration, or forfeiture by operation of law of a license issued by the board, or its suspension, forfeiture, or cancellation by order of the board or by order of a court of law, or its surrender without the written consent of the board, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its authority to institute or continue a disciplinary proceeding against the licensee upon any ground provided by law, or to enter an order suspending or revoking the license or otherwise taking disciplinary action against the licensee on any of those grounds.

19461.5.
Upon a finding by the Labor Commissioner that a violation of any provision of the Labor Code, within the jurisdiction of the Labor Commissioner, has been committed by a person licensed pursuant to this chapter in the course of such licensed activity, the Labor Commissioner shall, upon expiration of the applicable period for appeal, notify the board of that finding.

19462.
If any license is suspended or revoked, the board shall state publicly its reasons for the suspension or revocation, and shall cause an entry of such reasons to be made on its minute book.

19463.
The action of the board in suspending or revoking a license issued under this chapter is final, except that the propriety of the action of suspending or revoking a license or of any other final administrative action of the board is subject to review by any court of competent jurisdiction if the action is commenced in the court within 30 days of the board's action. The action of the board shall stand unless and until reversed by a court. No action may be commenced in a court to attack, review, set aside, void, or annul any final action of the board unless it is commenced within 30 days of the board's action.

19464.
(a) No application for a horse owner's license or for a license to conduct a race meeting shall be granted unless the applicant's liability for workers' compensation is secured in accordance with Division 4 (commencing with Section 3700) of the Labor Code. Any termination of security for that liability during the period of a license shall result in the immediate automatic suspension of the license during the period of that termination and also shall be a ground for revocation of the license.
(b) No application for a license to conduct a race meeting shall be granted unless the applicant has deposited with the board a surety bond in the amount of one hundred thousand dollars ($100,000), or a greater amount, as determined by the board, which is sufficient to ensure payment of employee wages and benefits including, but not limited to, health, welfare, and pension plans. The surety bond shall be maintained during the period of the meeting and for an additional period, as determined by the board, sufficient to assure that all payments are made. In the event of a dispute over the amount owed, the dispute shall be resolved through the grievance procedures set forth in the labor agreement of the union representing the class of employees affected.
For the purposes of this subdivision, an insured certificate of deposit payable to the Treasurer of the State of California shall be considered equivalent to a surety bond and shall be acceptable to the board upon such terms and conditions as it may prescribe. Interest paid to the state on the certificate of deposit shall be refunded to the applicant.
This subdivision does not apply to any person or association licensed to operate a horse race meeting prior to January 1, 2001, which has conducted a race meeting in each of the immediate three previous

consecutive calendar years.

19466.
The board shall maintain a current listing of its temporary and permanent licensees and shall include therein identifying information as to each licensee and the address of record. The board may provide a copy of the listing in the form requested by any federal, state, county, or municipal authority or racing jurisdiction. The board may require that its costs for providing a copy of a listing be reimbursed by the requesting authority or agency or organization.

Article 4. Licenses for Track Operators

19480.
(a) The board may issue to any person who makes application therefor in writing, who has complied with the provisions of this chapter, and who makes the deposit to secure payment of the license fee imposed by this article, a license to conduct a horse racing meeting in accordance with this chapter at the track specified in the application; provided, the board determines that the issuance thereof will be in the public interest and will subserve the purposes of this chapter.
(b) For purposes of this section, “person” means any officer, director, or partner, or any individual who holds 5 percent or more of outstanding shares, of a racing association.

19481.
In performing its responsibilities, the board shall do all of the following:
(a) Establish safety standards governing the uniformity and content of the track base and racing surface, inner and outer rails, gates and gaps, turf, access and egress to the track, lighting for night racing, equipment for horse and rider, drainage, communications, veterinary services, medical and ambulance services, and other track facilities in order to improve the safety of horses, riders, and workers at the racetrack.
(b) Designate a steward at all horse racing meetings to be responsible for enforcing compliance with safety standards.

19481.3.
(a) Every racing association and racing fair licensed pursuant to this article shall maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to: (1) a quarter horse racing association if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders, or (2) a harness racing association if there is a hospital situated no more than 2.5 miles from the racetrack and the harness racing association has an agreement with the hospital to provide emergency medical services to injured drivers. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code.
(b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish.
(c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries.
(d) Each racing association or racing fair shall designate a health and safety manager and assistant

manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.
(e) The stewards shall investigate and prepare a report with respect to all on-track accidents involving jockeys that occur during the performance of their duties. The report shall, at a minimum, identify the circumstances of the accident, the likely causes, and the extent of any injuries. The investigation shall be commenced no later than the next live racing day and shall be completed expeditiously. Upon completion of the report, it shall immediately be sent by facsimile or electronic mail to the entity certified to provide health and welfare for jockeys pursuant to Section 19612.9, to the jockey or his or her representative, the racing association, and the owner and trainer of the horse the jockey was riding at the time of the accident.
(f) The board shall adopt regulations to implement the provisions of this section no later than July 1, 2007.

19481.5.
(a) Notwithstanding any other provision of law, no license shall be issued to conduct a horse racing meeting upon a track unless the track has been inspected by the board within 30 days prior to the date of application for a license and the track has been approved by the board as conforming to the racetrack safety standards set forth in subdivision (a) of Section 19481.
(b) The board shall adopt regulations to establish standards governing the employee housing provided to backstretch personnel at licensed racetracks. These regulations shall be commensurate with the housing standards established in the Employee Housing Act (commencing with Section 17000 of Division 13 of the Health and Safety Code), and shall consider the following:
(1) The health and safety of the human and equine population and the necessity for humans and horses to live in close proximity.
(2) The housing needs of state or county facilities with live racing meetings of no more than 43 days in duration that do not operate as year- round training facilities. The board shall specifically consider the different needs of these facilities compared to permanent facilities or other state and county facilities that function on a year-round basis, including state and county fair facilities that operate as a year-round training facilities where horses are stabled and workers live.
(3) Compliance of facilities with racing meetings of 19 days or less, even if they operate as a year-round training facility, with this subdivision shall be contingent on funding in the 2002-03 Budget Act.
(c) Commencing January 1, 2004, the board, with assistance from the California Department of Housing and Community Development or a local building department or other local entity designated by the jurisdiction in which the racetrack is located, shall annually inspect the living conditions of backstretch employee housing to ensure compliance with the housing standards established by the board, the findings or results of which shall be submitted to the board. No license shall be issued to a racing association to conduct a horse race meeting unless the board has inspected the housing conditions that exist on the racetrack's backstretch and determined the living conditions to be in compliance with the standards established by the board in subdivision (b).
(d) The board may assess a reasonable fee upon racing associations to defray the costs associated with the inspections provided for in subdivision (c).

19481.7.
(a) (1) The board may, at any time, immediately suspend a license to conduct a racing meeting when necessary to protect the health and safety of the horses or riders that are present at the racing meeting.
(2) The suspension shall require a vote of at least four members of the board.
(3) The suspension shall remain in effect until the board determines that the matters jeopardizing the health and safety of the horses or riders that are present at the racing meeting have been adequately addressed.
(4) As a condition of lifting the suspension, the board may require a licensee to comply with additional

safety standards or other requirements as it deems necessary or desirable for the best interests of horse racing and the purposes of this chapter.
(5) The suspension is not a revocation subject to the proceedings required by Section 19461, regardless of any effect on a license issued under this chapter.
(b) (1) Notwithstanding the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), an emergency meeting may be called at any time by the chairperson of the board, the executive director, or by a majority of the members of the board to consider suspending a license to conduct a racing meeting when there exists an emergency situation involving matters upon which prompt action is necessary to protect the health and safety of the horses or riders that are present at the racing meeting.
(2) An emergency meeting held pursuant to this section is exempt from the 10-day notice requirement of Section 11125 of the Government Code or the 48-hour notice requirement of Section 11125.4 of the Government Code if the delay necessitated by those requirements would significantly and adversely impact the board's ability to protect the health and safety of the horses or riders that were present at the racing meeting.
(3) Before the commencement of the emergency meeting, the board shall make a finding in open session that the delay necessitated by providing the 10-day notice required by Section 11125 of the Government Code or 48 hours before a meeting as required by Section 11125.4 of the Government Code would significantly and adversely impact the board's ability to protect the health and safety of the horses or riders that are present at that racing meeting. The finding shall be adopted by a vote of at least four members of the board. Failure to adopt the finding shall terminate the meeting.
(4) Newspapers of general circulation and radio or television stations that have requested notice of meetings pursuant to Section 11125 of the Government Code shall be notified by the executive director, or a designee thereof, at least one hour before the emergency meeting by telephone. Notice shall also be made available on the board's internet website as soon as is practicable after the decision to call the emergency meeting has been made. Notwithstanding Section 11125 of the Government Code, the board may take action at the emergency meeting on an item of business involving the emergency situation that is not included in the agenda, if any, that accompanies a notice provided pursuant to this paragraph.
(5) The minutes of the emergency meeting, a copy of the rollcall vote, and any action taken at the meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as is possible.
(c) (1) It is unlawful to conduct a racing meeting under a license suspended pursuant to this section or, if the suspension is lifted, without meeting a condition imposed pursuant to paragraph (4) of subdivision (a).
(2) The board shall review any action taken under this section within 10 calendar days.
(3) Nothing in this section supersedes or limits the board's authority to suspend or deny a license under any other law, rule, or regulation.
(d) The board shall adopt emergency regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code to implement this section. The board may readopt, pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulation authorized by this section that is the same as, or substantially equivalent to, an emergency regulation previously adopted as authorized by this section.
No such regulation shall be readopted on an emergency basis pursuant to this section more than a total of two times. Notwithstanding any other law, the initial adoption of emergency regulations and the readoption of emergency regulations authorized by this section shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.

19482.
No license to conduct a horse racing meeting shall be issued to any of the following:
(a) Any nonprofit corporation entitled to an exemption from any tax imposed by this State.
(b) Any applicant who proposes to conduct a horse racing meeting for the benefit of any such nonprofit corporation or under any arrangement pursuant to which such nonprofit corporation is to share in the

receipts of the licensee from the conduct of such meeting, whether by rentals or otherwise.
Nothing in this section prohibits the board, in its discretion, from issuing a license to conduct a horse racing meeting to any corporation to which it has, prior to September 7, 1955, issued a license to conduct such a meeting.

19483.
Unless the board finds that the purpose of this chapter will be better served thereby, no license to conduct a horseracing meeting at any track shall be issued to any person or held by any person having any financial interest in the conduct of any horseracing meeting by any other person at any other track in this State.
Ownership of stock in one corporation by another corporation constitutes a financial interest within the meaning of this section.

19484.
Unless the board finds that the purpose of this chapter will be better served thereby, no person licensed under this article to conduct a horseracing meeting at any place, track or inclosure shall own or acquire any stock or hold or obtain any other financial interest in any other track of another such licensee or in the operation thereof, or in the operation of authorized wagering on the results of horseraces at any such other track.

19485.
The board shall not issue a license to conduct a horse racing meeting at any place, track or inclosure, not used for horse racing meetings prior to July 1, 1941, unless prior to the beginning of the construction or preparation of such track for horse racing meetings, the board, upon application in such form as it may require, has determined that the conduct of horse racing meetings at such track will be in the public interest and will subserve the purposes of this chapter.
This section does not apply in respect to any track of not less than five-eighths of one mile in circumference or length partially or entirely in the infield of a mile track constructed and operated by a Thoroughbred licensee under this article provided that such infield track is to be used solely for Thoroughbred racing.

19487.
Notwithstanding Section 19485, any licensed racing association operating a racetrack may construct another track of not less than one-half mile in circumference or length partially or entirely in the infield of such track, if prior to the beginning of construction or preparation of such track for horse race meetings, the board has determined upon application, in such form as it may require, that the conduct of horse race meetings at such track will be in the public interest and subserve the purposes of this chapter. A license may be granted to any harness racing association to conduct a harness racing meeting upon such a track of less than one mile.

19488.
(a) Every license issued under this article shall specify the following:
(1) The name of the person to whom it is issued.
(2) The track where the horse racing meeting to which it relates is to be held or conducted.
(3) The days and hours of the day when the meeting will be permitted.
(4) The number and types of races to be run on each day of the meeting.
(5) The number of useable stalls available for the meeting.
(6) The name of the person responsible for supervising the maintenance of racetrack safety standards.
(b) The license shall also recite the payment to, and receipt by, the board of the deposit to secure payment of the license fee required by this article.

19489.
A license issued under this article is not transferable nor does it permit the conduct of a horse racing meeting at any track not specified therein.
If, however, the track specified in a license becomes unsuitable for racing because of fire, flood, or other catastrophe, the meeting or any remaining portion thereof may be conducted at any other track specified by the board in the same area. The board may specify any other track within the area for the conduct of the meeting, whether or not such conduct would result in increasing the number of racing days in the county or area in which such track is situated. Before any other track is so specified, the board shall obtain the consent of the person licensed to conduct a meeting at the track which has become unsuitable for racing and of the owners and operators licensed to conduct a meeting at such other track.

19490.
Each application for a license to conduct a horse racing meeting shall be accompanied by a deposit to secure the payment of any license fee imposed by this article, in the form of a certified check payable to the Treasurer of the State of California, in the amount of ten thousand dollars ($10,000).

19491.
(a) Subject to Sections 19491.5 and 19491.6, and except as provided in Section 19491.7, every association which conducts a racing meeting shall pay as an additional license fee one-half of the breakage deducted pursuant to Section 19597 on the first twenty-four million dollars ($24,000,000) or less, excluding wagering at a satellite wagering facility, of the total amount handled in the parimutuel pools relating to its meeting and all of the breakage deducted on amounts so handled in excess of twenty-four million dollars ($24,000,000), excluding wagering at a satellite wagering facility.
(b) Every association which conducts a racing meeting shall distribute the remaining one-half of the breakage deducted pursuant to Section 19597 on the first twenty-four million dollars ($24,000,000) or less, excluding wagering at a satellite wagering facility, of the total amount handled in the parimutuel pools relating to the meeting as additional purses and for additional commissions in the same proportion, as between purses and commissions, as provided in Sections 19611, 19612, 19612.6, and 19614.
(c) Notwithstanding subdivision (b), one-half of all the breakage deducted pursuant to Section 19597 at fair racing meetings shall be retained and distributed as additional commissions.
Payment of the fee shall be made weekly on account during each meeting, and the amount attributable to breakage shall be reported as a separate item.

19491.5.
Notwithstanding the provisions of subdivision (a) of Section 19491, an association, including the California Exposition and State Fair or a county or district agricultural association fair, which conducts, or whose predecessor association has conducted, a horseracing meeting during the preceding year at which the total amount handled in the parimutuel pools operated by the association, or by such predecessor association, is not more than two hundred fifty million dollars ($250,000,000), excluding wagering at a satellite wagering facility, shall be exempt from payment of that portion of the license fee provided in subdivision (a) of Section 19491 on the amount handled by it under one hundred twenty-five million dollars ($125,000,000), excluding wagering at a satellite wagering facility. All the money accruing pursuant to this section shall be distributed as purses. In addition, an association which conducts, or whose predecessor association has conducted, a horseracing meeting during the preceding year at which the total amount handled in the parimutuel pools operated by the association or predecessor association is more than two hundred fifty million dollars ($250,000,000), excluding wagering at a satellite wagering facility, shall be exempt from the payment of that portion of the license fee provided in subdivision (a) of Section 19491 on the amount handled in excess of twenty-four million dollars ($24,000,000) but not in excess of fifty million dollars ($50,000,000).

“Predecessor association,” as used in this section, means a person who was previously licensed to conduct racing of the same kind and at the same racing facility as the presently existing association.
It is the intent of the Legislature that the amendment to this section at its 1970 Regular Session shall be deemed to be a clarification of the effect of this section, and that such amendment does not constitute a substantive change.

19491.6.
Except as provided in subdivision (b) of Section 19612, the exempt amount retained by the association shall be regularly deposited in a separate account with a depository approved by the board. The funds deposited shall be distributed as purses.

19491.7.
Notwithstanding any other provision of law, all breakage deducted pursuant to Section 19597 by an association licensed to conduct harness racing shall be used to fund the California Standardbred Sires Stakes Program as set forth in subdivision (f) of Section 19619.

19493.
Upon the termination of the horse racing meeting for which a license has been granted:
(a) If the licensee has fully paid the license fee imposed by this article, the sum deposited with the application for the license shall be returned to the licensee.
(b) If the licensee fails, refuses, or neglects to pay such fee, the amount thereof shall be deducted from the sum deposited and the balance, if any, shall be returned to the licensee.

19494.
If by reason of any cause beyond control, and through no fault or neglect of any licensee, and when the licensee is not in default, it becomes impossible for the licensee to hold or conduct racing upon any day authorized by the board, the board, in its discretion and at the request of the licensee, may either return any fee paid by the licensee for racing on that day or, as a substitute for such day, may specify any other day for the holding or conducting of racing by the licensee.

19495.
Except as provided in this chapter, no license or excise tax or fee in excess of one hundred dollars ($100) for each racing day shall be assessed against or collected from any licensee by the State or by any county, city, district, or any other body having the power to assess or collect any license, tax, or fee.

19497.
Any person who is licensed to conduct a horse racing meeting at any place, track or inclosure which is leased by him from the State, shall not transfer any such property to any other person, whether licensed under this chapter or not, for the purpose of furnishing such other person a place, track or inclosure at which it may conduct a horse racing meeting, unless such transfer is first submitted to the Department of General Services and the department finds that its terms and provisions are just and reasonable and approves of it.
As used in this section, “transfer” includes any sublease, permit to use, license to use, and any other transaction or arrangement of any kind or nature whereby any right to the use or possession of property, or any part thereof, for the purpose of conducting a horse racing meeting is conferred upon any person.
The provisions of this section which are applicable to a person licensed under this chapter to conduct a horse racing meeting shall also apply to any person to whom a transfer is made by such a licensee in accordance with this section.

Article 4.5. Jockeys

19500.
(a) A jockey who agrees to exercise a racehorse shall be paid no less than the standard rate that is paid to exercise riders unless the jockey has been employed to ride that racehorse in a parimutuel race or the jockey is engaged in an official timed and recorded workout. If there is a dispute over the standard rate for exercising a horse, the steward shall determine the rate.
(b) The board shall adopt regulations no later than July 1, 2007, consistent with existing practice of the stewards, that provide both of the following:
(1) Establish the circumstances under which a jockey is entitled to receive a mount fee when he or she is removed from a mount prior to scratch time.
(2) Establish the circumstances under which a jockey is entitled to receive both a mount fee and the riding fee when he or she is removed from a mount after scratch time.
(c) The paymaster of a racing association or racing fair shall not disburse any sum from a jockey's compensation to any person other than the jockey except with the written permission of the jockey, upon order of the board, or pursuant to a court or administrative order.
(d) For the purposes of this section the following definitions apply:
(1) "Scratch time" means the time designated by the purse agreement when final changes in racing programs must be made.
(2) "Riding fee" means the amount of money, whether calculated as a percentage of the purse or by any other means, that is due to a jockey in addition to the jockey mount fee as a result of the performance of a racehorse in a race.
(3) "Mount fee" is the fee that is paid a jockey who accepts a mount on a racehorse.

19501.
(a) The Legislature finds and declares the following:
(1) Professional jockeys are vital to the horse racing industry and the work they perform is very dangerous.
(2) The minimum wage that jockeys receive in a horse race is established by the board as a minimum jockey riding fee. Jockeys may earn additional compensation if the horse they are racing is a winning mount, a second place mount, or a third place mount.
(3) The minimum jockey riding fee has not kept up with inflation or the cost of living. Since 1970, the state minimum wage has increased at more than twice the rate that the average jockey riding fee increased over the same period.
(4) The riding fee should be increased at least as much on a percentage basis as the state minimum wage, so that the average full-time jockey can earn an income sufficient to provide for the basic necessities of life.
(b) (1) Effective January 1, 2010, the scale of minimum jockey riding fees for losing mounts established by the board shall be increased by ten dollars ($10) per mount from the rate in effect on December 31, 2009. Effective January 1, 2012, the scale of minimum jockey riding fees for losing mounts established by the board shall be increased by ten dollars ($10) per mount from the rate in effect on December 31, 2011, except the three lowest fees on the scale shall be increased by five dollars ($5) per mount. Thereafter the scale of minimum jockey riding fees for losing mounts shall be increased whenever the state minimum wage is increased by the percentage of that increase.
(2) Effective January 1, 2010, the minimum amount awarded to the jockey who finishes second or third in a race shall be increased by ten dollars ($10) over the amount required to be paid on December 31, 2009. Effective January 1, 2012, the minimum amount awarded to the jockey who finishes second or third in a race shall be increased by five dollars ($5) over the amount required to be paid on December 31, 2011. This subdivision shall apply to races in which the purse is nine thousand nine hundred ninety-nine dollars ($9,999) or less.

(c) No jockey shall be paid less than the minimum jockey riding fees established pursuant to this section.
(d) Nothing in this section prohibits the board from increasing the minimum jockey riding fee above the minimum level required by this section.

19502.
Notwithstanding any other law, the board shall not permit any portion of an entry, nomination, or other fee paid by an owner to be deducted from a jockey riding fee unless the entry, nomination, or other fee is paid exclusively by the owner and not reimbursed by any other person or entity.

19504.
(a) No racehorse shall be ridden at a racetrack unless the rider is equipped with a safety helmet and safety vest.
(b) No later than July 1, 2006, the board shall conduct an investigation, including at least one public hearing, to determine whether the use of safety reins would provide jockeys and exercise riders greater protection from accidents and injuries than conventional reins. Should the board determine that the use of safety reins would provide greater protection for jockeys and exercise riders than conventional reins, it shall adopt a regulation no later than July 1, 2007, mandating the use of approved safety reins whenever a racehorse is ridden at a racetrack. The regulation adopted by the board may phase in the use of safety reins, but in the event safety reins are mandated, the board shall not permit the use of conventional reins in a parimutuel race for longer than 18 months following the adoption of the regulation.
(c) The board shall approve any model of safety helmet, safety vest, and mandatory safety rein, if required, in use at a racetrack.
(d) For the purposes of this section, a “safety rein” is a type of rein that is reinforced with a wire cable, nylon strap, or other safety device or material that is attached to the bit and designed to maintain control of the horse should the rein break.
(e) For the purposes of this section, a “conventional rein” is any rein other than a safety rein.

19506.
No later than July 1, 2006, the board shall approve and participate in a health assessment study of jockeys that will provide information relevant to the determination of an appropriate jockey scale of weights and weight control practices that will maximize jockey health and safety.
(a) The study shall be conducted under accepted scientific principles, shall be peer reviewed, and shall be performed under the auspices of a university based director with expertise in sports medicine, nutrition, or occupational safety and health. The study director shall be independent of the horse racing industry.
(b) The board shall form a committee to provide input and advice on the design of the study. The committee shall include members of the board, and representatives of the Thoroughbred Owners of California, the Jockey’s Guild, the California Thoroughbred Trainers, the Pacific Coast Quarter Horse Racing Association, the California Authority of Racing Fairs and of the racetracks. However, the board shall insure that no member of the committee nor any other person shall attempt to improperly interfere with study design or execution or compromise its integrity.
(c) The study shall be funded by private sources. Nothing in this section shall prevent the participation of racing regulatory bodies outside of California in the study.
(d) Upon completion of the study the board shall review the findings at a public hearing. If the board determines, upon review of the study, that the current scale of weights for jockeys is detrimental to jockey health and safety, it shall adopt regulations to establish weight or body composition requirements appropriate to maintain jockeys in a healthy and safe physical condition.

Article 5. Stewards and Racing Officials

19510.
(a) Every steward and racing official not required to be licensed under Article 4 (commencing with Section 19480) shall be licensed by the board pursuant to this article. Any license issued pursuant to this article shall include a current photograph of the licensed person.
(b) No person required to be licensed pursuant to this article may participate in any capacity in any horse race meeting without a valid and unrevoked license. The board shall determine the fixed license fee which shall be paid in order to receive a license pursuant to this article.
(c) As used in this section, “racing official” means the starter, timer, paddock judge, horseshoe inspector, horse identifier, official veterinarian, racing veterinarian, associate judge, placing judge, patrol judge, clerk of scales, clerk of the course, and any other person acting as an official at any horse racing meeting.

19512.
(a) The board shall require applicants for license as a steward or as an official veterinarian to pass both a written and an oral examination.
(b) The board may admit to the steward examination any person who meets all of the following qualifications:
(1) Has not been convicted of a crime involving moral turpitude or of a felony.
(2) Has been given a physical examination by a licensed physician and surgeon within 60 days prior to the date of application for the steward’s examination, indicating at least 20-20 vision or vision corrected to at least 20-20, and normal hearing ability.
(3) Possesses at least one of the following qualifications:
(A) Has at least five years of experience in the parimutuel horse racing industry as a licensed trainer, jockey, or driver.
(B) Has at least 10 years of experience in the California parimutuel horse racing industry as a licensed owner whose experience, knowledge, ability, and integrity relative to the industry are known to the board.
(C) Has at least three years of experience as a licensed racing official,
racing secretary, assistant racing secretary, or director of racing.
(D) Has experience in the horse racing industry of a character and for a length of time sufficient, as determined by the board, to qualify the person as having experience substantially equivalent to the experience described in subparagraph (A), (B), or (C).
(c) The board may admit to the official veterinarian examination any person who meets all of the following qualifications:
(1) Is currently licensed to practice veterinary medicine in this state.
(2) Is currently in good standing with the California Veterinary Medical Board.
(3) Has current veterinary malpractice insurance.

19513.
(a) The board shall prepare both written and oral examinations. All examinations shall be standardized and, in the case of oral examinations, tape recorded. Written examinations may be administered by members of the board staff. Oral examinations for stewards shall be conducted by a panel of not less than three board members. Oral examinations for official veterinarians shall be conducted by a panel of not less than one board member, the equine medical director, and the executive director.
(b) The board shall provide a detailed outline of the subjects to be covered by the oral and written examinations for a license to every person who requests the outline.
(c) The results of the oral and written examinations for a steward’s license shall be a public record.

19514.
Racing officials shall be licensed by the board pursuant to rules and regulations that the board may adopt, and upon payment of a license fee fixed and determined by the board.

19515.
(a) A license issued under this article shall be issued for a period not to exceed three years, which the board may, by regulation, establish. The board may establish a license fee schedule consistent with the different period for which these licenses may be granted.
(b) The license shall be valid at all horse racing meetings in this state during the period for which it is issued, unless it is suspended or revoked before the expiration of the period.

19516.
The board may, at any time, require the removal of any racing official or employee in any case where it has reason to believe that the official or employee has been guilty of any dishonest practice in connection with horse racing, has failed to comply with any condition of the licensee's license, or has violated any law or any rule or regulation of the board.

19517.
(a) The board, upon due consideration, may overrule any steward's decision other than a decision to disqualify a horse due to a foul or a riding or driving infraction in a race, if a preponderance of the evidence indicates any of the following:
(1) The steward mistakenly interpreted the law.
(2) New evidence of a convincing nature is produced.
(3) The best interests of racing and the state may be better served.
(b) However, any decision pertaining to the finish of a race, as used for purposes of parimutuel fund distribution to winning ticketholders, may not be overruled. Furthermore, any decision pertaining to the distribution of purses may be changed only if a claim is made in writing to the board by one of the involved owners or trainers, and a preponderance of the evidence clearly indicates to the board that one or more of the grounds for protest, as outlined in regulations adopted by the board, has been substantiated. The chairperson of the board may issue a stay of execution pending appeal from a steward's decision if the facts justify the action.

19517.5.
(a) The respondent in an enforcement proceeding that alleges the use of a prohibited substance, as defined under class I, class II, or class III of the board's schedule of prohibited substances, may elect to have the proceeding referred, for administrative adjudication and preparation of a proposed decision for action by the board, to either a Board of Stewards or a hearing officer appointed by the board. The board shall select the hearing officer from a pool jointly developed by a representative from each of the following organizations:
(1) The board.
(2) A racing association.
(3) The trainers' organization.
(4) The horse owners' organization.
(b) The hearing before a duly appointed hearing officer or Board of Stewards shall commence no later than 90 days after the filing of the accusation. The hearing date may be extended only upon a showing of good cause to the earliest possible hearing date beyond the 90-day period, provided a written order and the reasons for the continuance are filed with the board.
(c) No later than 20 days before the hearing, the licensee shall post a bond with the paymaster of purses for the amount of the purse or purses in question and received by the licensee. The bond shall be in cash, or a surety bond that meets the requirements of the board.

19518.
(a) (1) The board shall contract with persons licensed as stewards pursuant to this article to perform the duties of stewards at horse racing meets. The board shall also contract with licensed veterinarians

pursuant to this article to perform the duties of official veterinarians at horse racing meets. Contracts shall be upon any terms that the board, the stewards, and the official veterinarians may mutually agree upon and may contain different rates of compensation based upon the experience of the steward or official veterinarian.
(2) The board shall establish a committee of at least two board members to meet at least quarterly with representatives of the stewards, so that recommendations of the stewards can be discussed as necessary. These meetings may be scheduled the same day as regular board meetings or at the convenience of the board. Representatives of associations may attend and participate in these meetings, or portions thereof, when items directly affecting the associations are discussed.
(3) The board shall provide remuneration, including any fringe benefits, to stewards, to the official veterinarian, and for the costs of laboratory testing relating to horse racing.
(b) Stewards, official veterinarians, and other racing officials appointed or approved by the board, and while performing duties required by this chapter or by the board, shall be entitled to the same rights and immunities granted public employees by Article 3 (commencing with Section 820) of Chapter 1 of Part 2 of Division 3.6 of Title 1 of the Government Code.
(c) The Legislature finds and declares that the services performed by stewards and official veterinarians at horse racing meetings are unique and cannot be performed adequately, competently, or satisfactorily by civil service personnel, and that the services cannot be adequately rendered by an existing public agency and do not duplicate the function of an existing public agency. Stewards and official veterinarians shall be personal service contractors of the board and shall not be civil service employees.

Article 5.5. Other Licenses

19520.
(a)(1) Every person not required to be licensed under Article 4 (commencing with Section 19480) who participates in, or has anything to do with, the racing of horses in any of the following capacities shall be licensed by the board pursuant to rules and regulations that the board may adopt and upon the payment of a license fee fixed and determined by the board:
(A) Assistant trainer.
(B) Association employee.
(C) Bloodstock agent.
(D) Corporate officer.
(E) Driver.
(F) Exercise rider.
(G) Farrier.
(H) Jockey.
(I) Jockey agent.
(J) Jockey apprentice.
(K) Jockey valet.
(L) Off-track wagering personnel.
(M) Open claim owner.
(N) Outrider.
(O) Owner.
(P) Parimutuel employee.
(Q) Pony rider.
(R) Safety personnel.
(S) Special event personnel.
(T) Stable agent.
(U) Stable foreman.
(V) Stableworker.

(W) Stakeholder representative.
(X) Trainer.
(Y) Vendor or vendor employee.
(Z) Veterinarian.
(AA) Veterinarian assistant.
(2) Any license issued pursuant to this article shall include a current photograph of the licensed person.
(b) A person required to be licensed pursuant to this article shall not participate in any capacity in any horse race meeting without a valid and unrevoked license authorizing the participation.
(c) The board may adopt regulations to require outrider license applicants to pass both a written and an oral examination and to authorize outriders to exercise the duties and powers of the board set forth in Section 19440 as are delegated by the board.
(d) For purposes of this section, the following definitions apply:
(1) “Assistant trainer” means a person employed by a trainer that has passed the board-issued trainer's examination but fails to meet the board's minimum qualifications for a trainer's license.
(2) “Association employee” means a person hired by a racing association that has access to the licensed inclosure. An “association employee” includes management of the racetrack and persons hired to work as maintenance, food service, media, security, and racing staff.
(3) “Bloodstock agent” means a person who for gain, gratuity, commission or reward, in either money or goods, acts as an agent for the sale or purchase of any racehorse not their own that is eligible to race at an authorized race meeting in the state.
(4) “Corporate officer” means an officer, director, or partner, or an individual who holds 5 percent or more of outstanding shares, of an advance deposit wagering, mini-satellite wagering provider, simulcast service supplier, or totalizer company.
(5) “Driver” means a person who drives and controls the horse from a seated position on a two-wheel sulky.
(6) “Exercise rider” means a person mounted and exercising a horse within a licensed inclosure.
(7) “Farrier” means a person responsible for shoeing and caring for equine hooves. A “farrier” is also interchangeably referred to as a “horseshoer” or “plater.”
(8) “Jockey” means a race rider.
(9) “Jockey agent” means a person who represents a jockey whose main responsibility is to arrange and book mounts.
(10) “Jockey apprentice” means a race rider who otherwise meets the license qualifications of a jockey, but has not ridden the requisite number of winners, as established by the board.
(11) “Jockey valet” means a person responsible for preparing both jockey and horse for racing.
(12) “Off-track wagering personnel” means a person employed at an off-track simulcast wagering facility or a person employed to represent an organization overseeing off-track wagering at a simulcast location pursuant to section 19608.2.
(13) “Open-claim owner” means a prospective owner of a horse entered into a claiming race.
(14) “Outrider” means a person responsible for providing a safe environment during training or racing.
(15) “Owner” means the owner, part owner, or lessee of a horse. An interest only in the earnings of a horse does not constitute ownership.
(16) “Parimutuel employee” means a person hired to work for the company licensed to accept wagers on the outcome of a horse race. A “parimutuel employee” includes totalizer technicians and those persons employed by a licensed totalizer company.
(17) “Pony rider” means a person riding a pony horse on training or race days.
(18) “Safety personnel” means a person hired to provide security, medical services, or emergency services within a racing inclosure.
(19) “Special event personnel” means a person who works for the Breeders' Cup World Championships when the event is held at a board-licensed racing facility or a person who is otherwise hired for a temporary racing event.
(20) “Stable agent” means a person who is the authorized representative of a stable or an owner that

may act on their behalf in managing the schedule of races.
(21) “Stable foreman” means a person in charge of daily operations in a racing stable.
(22) “Stableworker” means a person employed at the operation of a stable at a board-licensed inclosure that is not more specifically described by another classification. This classification includes those who feed, groom, exercise, train, and conduct general care of horses.
(23) “Stakeholder representative” means a person whose constituents are located within a licensed inclosure. This includes clergy, union representatives, and representatives from state-recognized organizations of trainers or horsepersons.
(24) “Trainer” means a person who has passed the board's trainer's examination and otherwise meets the board's qualifications for licensure as established pursuant to regulation.
(25) “Vendor or vendor employee” means a person who provides goods or services related to horse racing at a facility licensed by the board. A “vendor” includes persons who access the licensed inclosure for the purpose of delivering equine supplies or transporting equines and maintenance workers, media, food service staff, jockey room staff, and stable staff.
(26) “Veterinarian” means a California-licensed veterinarian.
(27) “Veterinarian assistant” means a person employed by a board-licensed veterinarian.

19521.
(a) A license issued pursuant to this article shall be issued for a period not to exceed three years, which the board may, by regulation, establish. The board may establish a license fee schedule consistent with the different period for which the licenses may be granted.
(b) The license shall be valid at all horse racing meetings in this state during the period for which it is issued, unless it is suspended or revoked before the expiration of the period.

19522.
(a) The board shall also set forth requirements for the position of satellite facility supervisor for all satellite wagering facilities operated by the state or on public land. The satellite facility supervisor shall, among other things, monitor the performance of licensees at the facilities.
(b) A fair satellite facility generating less than ten million dollars ($10,000,000) annually in total handle may elect not to be subject to the requirements of this section if the board of directors of the fair satellite facility, after a public hearing, deems those requirements to be not economically feasible and all of the following requirements are met:
(1) Thirty days prior to the public hearing, the fair board notifies the board
in writing of its intention to take the action described in this subdivision.
(2) The fair satellite facility shall continue to abide by all laws and regulations pertaining to the operation of a satellite facility, including the responsibilities of the position of satellite facility supervisor.
(3) Notice of the fair board’s action shall be provided to the board within 10 days of approval by the fair board. Notice shall include the name and contact information of the individual or individuals assuming the responsibilities of the position of satellite facility supervisor.

19523.
The board may, at any time, require the removal of any racing official or employee in any case where it has reason to believe that the official or employee has been guilty of any dishonest practice in connection with horse racing, has failed to comply with any condition of the licensee’s license, or has violated any law or any rule or regulation of the board.

19525.
(a) For purposes of this section, “equine” means a horse of any breed used for racing or showing, including prospective racehorses, breeding prospects, stallions, stallion seasons, broodmares, yearlings,

or weanlings, or any interest therein.
(b) Any sale, purchase, or transfer of an equine shall be both of the following:
(1) Accompanied by a written bill of sale or acknowledgment of purchase setting forth the purchase price.
(2) Signed by both the purchaser and the seller or their duly authorized agents or, in a transaction solely relating to a season or fractional interest in a stallion, signed by the syndicate manager or stallion manager.
(c) When a transaction described in subdivision (b) is accomplished through a public auction, the bill of sale requirement may be satisfied by the issuance of an auction receipt generated by the auction house and signed by the purchaser or an agent whom the purchaser has authorized.
(d) It is unlawful for a person to act as a "dual agent," which is hereby defined as a person acting as an agent for both the purchaser and the seller, in a transaction involving the sale, purchase, or transfer of an interest in an equine without the prior knowledge of both the purchaser and seller, and the written consent of both the purchaser and seller.
(e) It is unlawful for a person acting as an agent for either a purchaser or a seller or acting as a dual agent in a transaction involving the sale, purchase, or transfer of an equine to receive in excess of five hundred dollars ($500) worth of compensation, fees, gratuities, or other items of value, related directly or indirectly to that transaction, from an individual or entity, including any consigner involved in the transaction, other than the agent's principal, unless both of the following occur:
(1) The agent receiving the item of value and the individual or entity giving the item of value disclose the transfer of that item of value in writing to the principal or principals for whom the agent is acting.
(2) Each principal for whom the agent is acting consents thereto in writing.
(f) Any person acting as an agent for a purchaser or seller or acting as a dual agent in a transaction involving the sale, purchase, or transfer of an equine shall, upon request by his or her principal or principals, provide to the requesters copies of all financial records in the possession or control of the agent pertaining to the transaction. For purposes of this subdivision, financial records shall not include the agent's or owner's work product used to internally evaluate the equine.
(g) Any person injured by a violation of this section shall recover treble damages from persons or entities violating this section.
(h) No contract or agreement for payment of a commission, fee, gratuity, or any other form of compensation in connection with any sale, purchase, or transfer of an equine shall be enforceable by way of an action or defense unless both of the following occur:
(1) The contract or agreement is in writing and is signed by the party against whom enforcement is sought.
(2) The recipient of the compensation provides a written bill of sale or auction receipt for the transaction in accordance with paragraph (1) of subdivision (b) and subdivision (c) respectively.
(i) The board may suspend or revoke the license of any person who violates this section.
(j) Subdivisions (g) and (h) shall not apply to the acts or omissions of an entity or individual engaged in conducting a public auction of an equine, or the entity or individual's employees or agents, if both of the following conditions apply:
(1) The acts or omissions of the entity, individual, employee, or agent are in furtherance of or pursuant to the conduct of the public auction of an equine.
(2) The entity or individual is appropriately licensed or authorized to conduct that specific public auction by the California Horse Racing Board and any other governmental entity whose permission or authorization is required to conduct the auction.

19526.
(a) Each trainer shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, paid to each of his or her employees.
(b) The payroll records enumerated under subdivision (a) shall be available for inspection at all reasonable hours at the principal office of the trainer on the following basis:
(1) A copy of an employee's payroll record shall be made available for inspection or furnished to the

employee or his or her authorized representative upon request.
(2) A copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to the board and the Division of Labor Standards Enforcement of the Department of Industrial Relations.
(3) On or before January 31 of each year, each trainer shall provide copies of federal W-2 and 1099 tax forms for his or her backstretch employees for the previous calendar year to the administrator of the pension fund for backstretch employees.
(c) The payroll records described in this section shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division.
(d) A trainer shall make the records enumerated in subdivision (a) available to an employee or his or her authorized representative within 10 days after receipt of a written request.
(e) The trainer shall inform the board of the location of the records enumerated under subdivision (a), including the street address, city and county, and shall, within five working days, provide a notice of a change of location and address.
(f) In addition to any other penalty imposed by law, any trainer who fails to provide access to the records enumerated in subdivision (a) to the board, the employee or his or her authorized representative, the administrator of the pension or welfare funds, or to the Division of Labor Standards enforcement as required by law shall be subject to suspension of his or her license.
(g) Except for trainers covered by an operative collective bargaining agreement pursuant to Section 19613.7, the board may require, as a condition of issuing or renewing a trainer's license, that the trainer submit a declaration that they have maintained true and correct payroll records and have complied with the requirements of the Labor Code and applicable wage orders of the Industrial Welfare Commission.
(h) The Labor Commissioner shall establish and maintain a program to audit the payroll records of trainers who are not parties to a collective bargaining agreement entered pursuant to Article 2.5 (commencing with Section 19455) and who operate in California for 90 or more racing days in a calendar year, in a manner to ensure that every subject licensee is audited at least once prior to January 1, 2006. Evidence of substantial noncompliance with the Labor Code and applicable wage orders of the Industrial Welfare Commission shall be referred by the board to the Labor Commissioner.

Article 5.6. Interstate Compact on Horse Racing Occupational Licensing

19527.
The Legislature finds and declares all of the following:
(a) The Association of Racing Commissioners International has proposed a compact providing for the licensure of individuals involved in the horse racing industry.
(b) The intent of this compact is to preclude the necessity of individual owners, trainers, backstretch employees, and other racetrack personnel from having to be separately licensed in each state in which they may conduct business.
(c) This compact would provide for an individual to be licensed by the compact committee created therein, and thus be able to practice his or her profession in all states that are members of the compact.
(d) The purpose of the compact is to:
(1) Establish uniform requirements among the party states for the licensing of participants in live horse racing with parimutuel wagering, and ensure that all participants who are licensed pursuant to this compact meet a uniform minimum standard of honesty and integrity.
(2) Facilitate the growth of the horse racing industry in each party state and nationwide by simplifying the licensing process for participants in the live racing industry, and reduce the duplicative and costly process of separate licensing by the applicable regulatory agency in each state.
(3) Authorize the California Horse Racing Board to participate in this compact.
(4) Provide for participation in this compact by officials of the party states, and permit those officials, through the compact committee established by the compact, to enter into contracts with governmental

agencies and nongovernmental persons and entities to carry out the purposes of this compact.
(5) Establish the compact committee created by this compact as an inter- state governmental entity duly authorized to request and receive criminal history record information from the Federal Bureau of Investigation, other federal law enforcement agencies, and state and local law enforcement agencies.

19528.
The California Horse Racing Board is hereby authorized to enter into the interstate compact identified in Section 19527 for the purposes described therein, provided that this state's participation in this compact does not result in the diminution of applicable existing standards established for licensure in California with regard to an applicant's criminal history and does not prevent the enforcement of any state law or regulation affecting any licensee. The California Horse Racing Board's entry into the interstate compact identified in Section 19527 shall not relieve any individual or entity of its duty to obtain any license or pay any fee otherwise required by this chapter. An individual designated by the California Horse Racing Board shall be responsible for representing California in conjunction with the administration of the compact.

Article 6. Racing Days and Weeks

19530.
(a) The board shall have the authority to allocate racing weeks to an applicant or applicants pursuant to the provisions of this article and Article 6.5 (commencing with Section 19540) and to specify such racing days, dates, and hours for horse racing meetings as will be in the public interest, and will subserve the purposes of this chapter. The decision of the board as to those racing days, dates, and hours shall be subject to change, limitation, restriction, or reallocation only by the board. No municipality or county shall adopt or enforce any ordinance or regulation that has or may have the effect of directly or indirectly regulating, limiting, restricting, or reallocating the racing days and dates of horse racing meetings.
(b) The board may, at any time, change, limit, restrict, or reallocate racing weeks, days, or dates that are allocated pursuant to this section regardless of whether a condition giving rise to that action is foreseen at the time of allocation or whether a license is issued to conduct a horse racing meeting during an allocated week, day, or date. The board's exercise of authority pursuant to this subdivision is not a revocation subject to the proceedings required by Section 19461, regardless of any effect on a license issued under this chapter.

19530.5.
For the purposes of this article there shall be three geographical zones which shall be designated (a) the "southern zone," which shall consist of the Counties of Imperial, Orange, Riverside, and San Diego; (b) the "central zone," which shall consist of the Counties of Kern, Los Angeles, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura; and (c) the "northern zone," which shall consist of the remaining counties in the state.

19531.
(a) The board shall make allocations of racing weeks, including simultaneous racing between zones, as it deems appropriate. The maximum number of racing weeks that may be allocated for horse racing other than at fairs, shall be as follows:
(1) For thoroughbred racing: 44 weeks per year in the northern zone; and 49 weeks per year in the combined central and southern zones.
(2) For harness racing: 25 weeks per year in the northern zone.
(3) For quarter horse racing: 25 weeks per year in the northern zone.
(4) For harness racing and quarter horse racing: a total of 77 weeks per year in the combined central and southern zones.
(b) In its written application for a license, an applicant shall state the time of day, consistent with this

chapter, during which it will conduct its racing meeting, and particularly the first race starting time for the various racing days. After receiving a license, a licensee shall not change the first race starting time without securing prior approval of the board.
(c) Notwithstanding this section or any other provision in this chapter, the following provisions apply:
(1) From the weeks available in the combined central and southern zones pursuant to subdivision (a), the board shall allocate a minimum of seven weeks per year to a thoroughbred racing association to conduct thoroughbred racing at a racetrack that was used to conduct a thoroughbred race meeting in the southern zone prior to 2012.
(2) The board shall not allocate dates to a thoroughbred association in the central zone for the purpose of conducting racing if a thoroughbred racing association is conducting racing in the southern zone on the same date during daytime hours.
(3) From the weeks available in the combined central and southern zones pursuant to subdivision (a), the board shall allocate a minimum of 25 weeks per year to a thoroughbred racing association to conduct thoroughbred racing at a racetrack that was used to conduct a thoroughbred race meeting in the central zone prior to 2012.
(4) The board shall not allocate dates to a thoroughbred association in the southern zone for the purpose of conducting racing if a thoroughbred racing association is conducting racing in the central zone on the same date during daytime hours.
(5) From the weeks available in the combined central and southern zones pursuant to subdivision (a), the board may allocate a maximum of five weeks per year to a thoroughbred racing association to conduct thoroughbred racing at a racetrack in the southern zone that was not used to conduct a thoroughbred race meeting in the southern zone prior to 2012.
(d) (1) Notwithstanding any other law, if the board does not license a thoroughbred race meeting to be conducted by a racing association at a racetrack located in the cities of Berkeley and Albany after July 1, 2024, a thoroughbred racing association, or racing fair, in the southern or central zone licensed by the board to conduct a thoroughbred race meeting or fair meeting shall, during racing weeks not allocated by the board for a race meeting in the northern zone, be deemed to be operating in the northern zone for the purpose of conducting all permissible forms of wagering in the northern zone pursuant to this chapter and making and receiving required distributions from those wagers in accordance with this chapter.
(2) Required distributions described in paragraph (1) shall be made in accordance with the requirements applicable to a racing association in the northern zone and any consent or approval rights shall be exercised by the appropriate racing association or racing fair in the central or southern zone conducting racing.
(3) The amounts generated for purses and commissions pursuant to this subdivision shall be used to pay simulcast funding requirements and board support that the thoroughbred racing associations and racing fair in the central or southern zone are required to make under Section 19616.51. Any remaining funds after those payments are made shall be distributed to each thoroughbred racing association and racing fair in the central and southern zones proportionally based on their respective handle in the central and southern zones during the previous fiscal year and that money shall be divided between purses and commissions in the same relative proportion as was generated in the central and southern zones during the previous fiscal year.

19531.1.
Notwithstanding any other law, the board shall not allocate racing dates to a thoroughbred racing association in the central or southern zone for the purpose of conducting thoroughbred racing during daytime or nighttime hours if a fair racing association is conducting racing in either zone on the same dates.

19532.
(a) Any association licensed to conduct thoroughbred racing in the northern zone may receive no more

than 35 weeks of that racing.
(b) Any association licensed to conduct thoroughbred racing in the central zone may receive no more than 17 weeks of that racing, except that any association which conducts a split meeting may receive up to 20 weeks of that racing. No more than one such split meeting may be licensed in any one year.
(c) This section and Section 19531 shall not operate to deprive any association of any weeks of racing granted during 1980.
(d) This section and Section 19531 shall not operate to deprive the California State Fair and Exposition of any weeks of racing granted during the previous calendar year, and the board may continue to allocate those weeks of racing to the California Exposition and State Fair or any lessee thereof.
(e) Nothing in subdivision (d) is a limitation on the board allocating racing weeks to any private racing association as a lessee of the California Exposition and State Fair racetrack facility pursuant to Sections 19531 and 19532.

19533.
(a) Any license granted to an association other than a fair shall be only for one type of racing, thoroughbred, harness, or quarter horse racing as the case may be, except that the board may authorize the entering of thoroughbred and Appaloosa horses in quarter horse races at a distance not exceeding five furlongs at quarter horse meetings, mixed breed meetings, and fair meetings. If the board authorizes the entering of thoroughbred or Appaloosa horses in quarter horse races, the following conditions shall be met:
(1) Any race written for participation by quarter horses, Appaloosas, and thoroughbreds shall be written as quarter horse preferred.
(2) The number of races written as quarter horse preferred at a distance exceeding 870 yards shall not exceed more than three races per program without the consent of the quarter horse horsemen's organization contracting with the association.
(3) More than one-half of the races on any program shall be for quarter horses at a distance not to exceed 550 yards, unless the consent of the quarter horse horsemen's organization is received.
(4) Mixed races with Appaloosa and quarter horses may only be written with the consent of the quarter horse horsemen's organization contracting with the association.
(5) Thoroughbreds shall constitute less than half the number of horses in these races although an exception may be granted on a race-to-race basis with the consent of the quarter horse horsemen's organization contracting with the association.
(b) The association that conducts the meeting shall pay to a thoroughbred trainers' organization an amount for a pension plan for backstretch personnel to be administered by that trainers' organization equivalent to 1 percent of the amount available to thoroughbred horses for purses. The remainder of the portion shall be distributed as purses. Any redistributable money paid to the board pursuant to Section 19641, which is paid to a welfare fund established by a horsemen's organization from races with both thoroughbred and quarter horses, shall be divided pro rata between the two welfare funds based on the number of thoroughbreds and quarter horses in the race.
(c)(1) Notwithstanding any other provision of law, any association licensed to conduct quarter horse racing may apply to the board for, and the board shall grant, authority to conduct thoroughbred racing as part of its racing program if all of the following conditions are met:
(A) The thoroughbred races are for a claiming price of not more than five thousand dollars ($5,000), and at a distance of four and one-half furlongs or less. The races may not be stakes, allowance races, or maiden allowance races.
(B) More than one-half of the races on any program shall be for quarter horses at a distance not to exceed 550 yards, unless the consent of the quarter horse horsemen's organization is received.
(C) The consent of the quarter horse horsemen's organization contracting with the association is obtained with respect to the inclusion of thorough- bred racing.
(2) The quarter horse racing association conducting thoroughbred racing pursuant to this subdivision shall pay to a quarter horse horsemen's organization the amount specified in subdivision (e) of Section

19613, and an amount for a pension plan for backstretch personnel to be administered by a thoroughbred trainers' organization equivalent to 1 percent of the amount available to thoroughbred horses for purses. The remainder of the portion shall be distributed as purses. The quarter horse racing association shall also deduct the appropriate amount to comply with subdivision (a) of Section 19617.2 for distribution to the thoroughbred official registering agency.

19533.5.

(a) Notwithstanding Section 19533, the board may authorize the following mixed breed racing:

(1) An association licensed to conduct a quarter horse meeting to include Appaloosa races and Arabian races with the consent of the quarter horse horsemen's organization contracting with the association with respect to the conduct of the racing meeting.

(2) A race between a quarter horse and a thoroughbred horse at a thoroughbred meeting with the consent of the thoroughbred horsemen's organization contracting with the association with respect to the conduct of the racing meeting.

(b) Notwithstanding Section 19533, an association licensed to conduct quarter horse racing or a fair may conduct races that include paint horses racing with quarter horses or Appaloosa horses in the same race. When paint horses race with quarter horses, the consent of the organization that represents quarter horse horsemen and horsewomen shall first be obtained. A quarter horse association may write a race for paint horses only to replace an Appaloosa or Arabian race without increasing the average number of races run per race day with the consent of the organization representing the quarter horsemen and horsewomen.

(c) A quarter horse race with seven or more entries shall not be replaced by a race that includes paint horses, without the consent of the organization that represents quarter horse horsemen and horsewomen.

(d) Notwithstanding any other law, a quarter horse racing association or fair conducting barrel racing, paint horse racing, show jump racing, or steeplechase racing shall pay to the quarter horsemen's organization the amount specified in Section 19613 for purposes of representing the horsemen and horsewomen conducting these races.

(e) Notwithstanding Section 19533, the board may authorize an association licensed to conduct a thoroughbred race meeting to include up to six nonthoroughbred races per calendar year with the consent of the organization representing thoroughbred horsemen and horsewomen, provided, however, that a nonthoroughbred race shall not be held when a fair in the northern zone is conducting a race meeting without that fair's consent. Notwithstanding subdivision (b) of Section 19617.8, amounts deducted and distributed pursuant to this chapter from wagering on nonthoroughbred races authorized pursuant to this section shall be deducted and distributed as if the wagers were placed on a thoroughbred race.

19533.6.

Notwithstanding Section 19533, the board may authorize any racing association licensed to conduct a live quarter horse racing meeting to also conduct mule racing at that racing meeting, subject to the following conditions:

(a) Mule races may only be conducted when a fair is not licensed to conduct live races with parimutuel wagering.

(b) The consent of the quarter horse horsemen's organization contracting with the association shall be obtained with respect to the inclusion of mule racing.

(c) The majority of the races conducted on any given racing day shall be quarter horse races.

(d) A quarter horse association may conduct mule races provided that the total number of Arabian and mule races run in a year do not exceed the total number of Arabian races run in the state in 2001.

(e) An Arabian race with seven or more entries shall not be replaced by mule race, without the consent of the organization that represents Arabian horsemen and horsewomen.

19535.
(a) Notwithstanding any other provision of law, at the time the board allocates racing weeks, it shall determine the number of useable stalls that each association or fair shall make available and maintain in order to conduct the racing meeting. The minimum number of stalls may be at the site of the racing meeting or at board-approved offsite locations.
(b) With respect to racing meetings conducted in the northern zone, the association or fair conducting the meeting shall provide all stabling required by the board pursuant to subdivision (a) without cost to participating horsemen. Offsite stabling shall be at a board approved facility or facilities selected by the association or fair, with the agreement of the organization representing horsemen participating at the meeting. If there is a disagreement between the association or fair and the organization representing the majority of horsemen participating at the meeting with respect to the selection of offsite stabling facilities, the board, at the request of the association or fair or the organization representing the majority of horsemen participating at the meeting, shall promptly determine the board-approved facility or facilities at which offsite stabling shall be made available. The organization representing horsemen participating at the meeting and the association or fair shall mutually agree on the criteria and selection of horses that may use stalls required pursuant to this section. Northern zone racing associations or fairs may provide, subject to the availability of funds pursuant to Sections 19607, 19607.1, 19607.2, and 19607.3, at the option of the horse owner, vanning of participating racehorses from any board-approved offsite stabling facility.
(c)(1) With respect to racing meetings conducted in the central or southern zones, all costs associated with the maintenance of the useable stalls for the racing meeting shall be borne by the association or fair conducting the meeting, and, with respect to useable stalls at an offsite location, the association or fair may be required, by order of the board, to bear the costs of vanning from the offsite location to the racing meeting. However, with respect to any racing association in the central or southern zone that conducted a racing meeting in 1986, if the number of useable stalls made available onsite by a racing association during a racing meeting is less than 95 percent of the number of useable stalls made available onsite by that racing association during its 1986 racing meeting, the racing association shall reimburse the facility providing offsite stabling for the difference in cost between the actual number of useable stalls made available and 95 percent of the useable stalls made available in 1986.
(2) The racing association shall, in addition, reimburse the owner for vanning to the onsite location with respect to those horses stabled at an offsite location necessitated by the failure of a racing association to maintain 95 percent of the useable stalls made available by that racing association during its 1986 racing meeting.

Article 6.5. Fairs and Expositions

19540.
In order to encourage and develop the racing of all horses in California, regardless of breed, whenever a fair conducts a program of horse races on which there is parimutuel wagering, the fair, so far as practicable, shall provide a program of racing that includes thoroughbred racing, quarter horse racing, Arabian racing, and Appaloosa racing, if a sufficient number of horses is available to provide competition in one or more races.
19542.
Notwithstanding any other law, fairs that conduct live horse racing meetings in the northern zone may allow a joint powers authority to administer and distribute purses.

19546.
(a) In order to encourage and develop the racing of all horses in California, regardless of breed, whenever a fair conducts a program of parimutuel wagering, it may provide a program of mixed breed racing that includes thoroughbred racing, harness racing, quarter horse racing, Arabian racing, paint racing,

Appaloosa racing, steeplechase races, barrel races, and show jumping races.
(b) All recognized breeds of horses may compete in barrel races, show jumping races, and steeplechase races. Parimutuel wagering may be conducted on barrel races, show jumping races, and steeplechase races at any public or private facility that has been approved and licensed by the board.

19547.
Notwithstanding Section 19490, no deposit shall be required for any horse racing meeting conducted by a fair.

19548.
Except as provided in this chapter, no license, tax, or fee shall be assessed against or collected from any fair which, directly and not through any private person, conducts a horse racing meeting.

19549.
Except as provided in Section 19549.1, the maximum number of racing weeks that may be allocated to a fair shall be four weeks each year. The board shall take public testimony and make all determinations on the allocation of racing dates during a public hearing. All discussions of allocating racing dates by the board or its subcommittees shall be conducted during a public hearing. Nothing in this section diminishes the authority of the board to establish racing dates.

19549.1.
Notwithstanding Sections 19533 and 19549 or any other provision of this chapter, the board may allocate horse racing days for mixed breed meetings and combined fair horse racing meetings pursuant to Section 4058 of the Food and Agricultural Code. Days may not be allocated for a mixed breed meeting or a combined fair horse racing meeting during the month of June at the California Exposition and State Fair if a standard- bred meeting is being conducted at that facility during the month of June.

19549.2.
From the weeks available for harness and quarter horse racing pursuant to paragraph (4) of subdivision (a) of Section 19531, the board may allocate a maximum of 12 weeks of harness racing to the 22nd District Agricultural Association to be conducted on the 22nd District Agricultural Association grounds. The racing shall be conducted by a person other than the 22nd District Agricultural Association.

19549.4.
Notwithstanding Section 19414.5, the board may allocate racing weeks consisting of fewer than five days to an association conducting harness or quarter horse racing meetings if the association and the organization representing the horsemen participating in the meeting agree to the allocation.
19549.6.
Notwithstanding paragraph (2) of subdivision (a) of Section 19531 and Sections 19540, 19546, and 19549, the board may allocate additional weeks of harness racing to the California Exposition and State Fair in Sacramento or its lessee, to be raced at the California Exposition and State Fair in Sacramento.

19549.7.
Notwithstanding paragraph (3) of subdivision (a) of Section 19531 and Section 19549, the board may allocate additional weeks of quarter horse racing to a lessee of the California Exposition and State Fair in Sacramento to be raced at the California Exposition and State Fair in Sacramento.

19549.9.
Notwithstanding paragraph (4) of subdivision (a) of Section 19531 and Section 19549, the board may

allocate up to 10 additional weeks of harness racing to the Los Angeles County Fair, or its lessee, to be raced at the fairgrounds in Pomona.

19549.12.
Notwithstanding Sections 19482 and 19549, any weeks of harness racing or quarter horse racing allocated by the board to be raced at the facilities of a county fair that conducts its racing meeting pursuant to Section 19549.3 may be conducted by the fair.

19549.13.
(a) Fairs that conduct racing meetings in the northern zone may, and horsemen's organizations that represent horsemen who participate at fair racing meetings in the northern zone shall, jointly develop a program to provide for stabling and training facilities. This program shall be based on the anticipated inventory of horses and the number of available stalls and locations.
(b) Participating fairs and horsemen's organizations shall annually ratify an agreement which includes provisions governing the operation of the stabling and training facilities. The agreement shall also specify the conditions under which a participating fair may terminate its participation in the program.
(c) Individual horsemen who elect to participate in the program shall be required to sign standard agreements with the participating fair governing the operation of the program. The agreements shall contain provisions that govern the operation of the program, including, but not be limited to, insurance coverage and payment of a security deposit.
(d) All agreements provided for in this section shall be approved by the board.
(e) Each fair that conducts racing meetings in the northern zone may elect whether to participate in the stabling and training program.

19549.14.
(a) Notwithstanding, Section 19489 or any other provision of this chapter, the board may permit the San Mateo County Fair to conduct live racing meetings at another site within or outside San Mateo County if its present site, Bay Meadows, closes.
(b) Live horse racing meetings conducted by the San Mateo County Fair, whether they are conducted within or outside of San Mateo County, shall be subject to the same provisions as are presently applicable to the San Mateo County Fair's conduct of live horseracing meetings at Bay Meadows.
(c) If the racing association licensed in the year 2002 to conduct thoroughbred race meetings in San Mateo County is not licensed to conduct a horse racing meeting in that county in any subsequent year, the San Mateo County Fair may, subject to the approval of the board, conduct its racing dates at a facility operated by a thoroughbred racing association or fair licensed to conduct a meeting in the northern zone.

19549.15.
(a) Notwithstanding Section 19489 or any other provision of this chapter, the board may permit the Solano County Fair to conduct live racing meetings at another site within or outside Solano County, if the site of its 2002 racing meeting is no longer available for horse racing in any subsequent year. Further, subject to the approval of the board, the Solano County Fair may conduct its racing dates at a facility operated by a thoroughbred racing association or fair licensed to conduct a racing meeting in the northern zone.
(b) Any racing meeting licensed to the fair pursuant to subdivision (a) may be operated by the fair or the fair may contract for the operation and management of the racing meeting with an individual thoroughbred racing association or fair, or a partnership, joint venture, or other affiliation of one or more thoroughbred racing associations or fairs.

19549.16.
(a) Notwithstanding any other law, the board may allocate racing days, pursuant to this article, to a fair in the northern zone to be conducted by the fair or, at the request of the fair, the board may license a

racing association that was licensed by the board to conduct racing meetings in California prior to 2010 to conduct live horse racing at the fair during the dates allocated to the fair by the board.
(b) The live horse racing days, whether they are conducted by the fair or the racing association contracting with the fair, shall be subject to the same provisions of law as are presently applicable to a fair race meeting in the northern zone.

19549.17.
(a) Notwithstanding any other law, the board may permit the Los Angeles County Fair to conduct live racing meetings at another site within or outside the County of Los Angeles. Subject to approval of the board, the Los Angeles County Fair may conduct its racing dates at a facility operated by a thoroughbred racing association licensed to conduct a racing meeting in the southern zone.
(b) A racing meeting licensed to the fair pursuant to subdivision (a) may be operated by the fair, or the fair may contract for the operation and management of the racing meeting with an individual racing association that was previously licensed to conduct a racing meeting.

Article 7. Charity Racing Days

19550.
(a) The board shall require each licensed racing association that conducts 14 or less weeks of racing to designate 3 racing days, and each licensed racing association that conducts more than 14 weeks of racing to designate five racing days during any one meeting, to be conducted as charity days by the licensee for the purpose of distribution of the net proceeds therefrom to beneficiaries through the distributing agent. For the purposes of this section, a split meeting shall be considered a single meeting and the appropriate number of charity days shall be based on the total weeks of racing allocated for both periods of the meeting.
(b) Notwithstanding subdivision (a) or any other provision of law, no racing association shall be required to pay to a distributing agent for the purpose of distribution to beneficiaries more than an amount equal to two-tenths of 1 percent of the association's total on-track handle on live races conducted by the association at the meeting.
(c) This section does not apply to a fair, or to a licensed racing association conducting three weeks of racing or less.

19551.
As a condition of the issuance of the license, the board shall require that the licensee of such meeting shall conduct such charity day racing and shall furnish its plant, facilities and all personnel and property necessary for the conduct of racing on the charity days.

19552.
All racing officials required by law or regulation to serve in connection with the meeting shall also serve, without further authority or designation, in their respective capacities and at the same rate of compensation in connection with the charity day racing.

19553.
On such charity days the income from all operations carried on in connection with or resulting from the conduct of racing on such days, including income from parimutuel wagering, admissions, parking, program sales and concessions shall be income from operations on such charity days. From the gross income from such operations on charity days there shall be deducted only the expenses incurred because of the conduct of racing on such days, but no deduction shall be made by the licensee for any overhead expenses or for expenses of the licensee which would be incurred irrespective of the conduct of the charity days racing.

The balance of such income after such deductions is herein designated as charity days' net proceeds and shall be paid by such licensee to a distributing agent selected and qualified in accordance with this article. No profit shall be made, either directly or indirectly, from such charity days' operations by the licensee of the meeting.

19554.
Except as provided elsewhere in this section, the distributing agent for charity distributions shall be a nonprofit organization or corporation, or nonprofit organizations or corporations, selected by the licensee of the meeting and approved by the board.
(a) Each distributing agent to be qualified hereunder shall conform to the then existing laws and regulations of this state and the United States, so as to be exempt or be entitled to exemption from the payment of any tax measured by income.
(b) Each distributing agent shall have not less than five trustees or directors. None of the individuals constituting the governing board of trustees or directors of the distributing agent shall be directly connected with, be a stockholder, or have any interest in the racing association that is the licensee of the race meeting. Each of the individual trustees or directors shall be a person who is, at the time, both a resident of this state, and an executive, officer, director, trustee, or member of the governing body or board, by whatever name the governing body or board may be known, of an organization engaged in civic, religious, charitable, educational, or veteran activities in this state.
(c) Each distributing agent shall adopt bylaws, shall provide for election to fill vacancies in the board of directors or trustees, and shall hold at least one meeting each year.
(d) Notwithstanding any other provision of this section, with the approval of the board, a racing association whose board of trustees or directors is precluded by its articles of incorporation, by laws, or by contract from receiving compensation for services in the capacity of trustee or director may act as its own distributing agent.
(e) Notwithstanding any other provision of this section, with the approval of the board, a racing association may act as its own distributing agent provided it allocates and distributes for charitable purposes an amount at least equal to that specified in subdivision (b) of Section 19550 in accordance with Section 19555 and subdivision (b) of Section 19556.

19555.
Each licensee shall pay over such charity days' net proceeds to such distributing agent as soon as practicable after the determination thereof, and such agent or agents shall hereafter distribute not less than 90 percent of the aggregate proceeds from charity days' racing received and available for distribution by it to beneficiaries within 12 calendar months after the last day of the meeting during which such charity days were conducted. The balance, if any, of such aggregate charity days' net proceeds not distributed within such 12-month period shall be distributed as soon thereafter as is practicable.

19556.
(a) The distribution shall be made by the distributing agent to beneficiaries qualified under this article. For purposes of this article, a beneficiary shall be all of the following:
(1) A nonprofit corporation or organization entitled by law to receive a distribution made by a distributing agent.
(2) Exempt or entitled to an exemption from taxes measured by income imposed by this state and the United States.
(3) Engaged in charitable, benevolent, civic, religious, educational, or veterans' work similar to that of agencies recognized by an organized community chest in the State of California, except that the funds so distributed may be used by the beneficiary for capital expenditures.
(4) Approved by the board.
(b) At least 30 percent of the distribution shall be made to charities associated with the horse racing

industry. In addition to this 30 percent of the distribution, another 5 percent of the distribution shall be paid to a welfare fund described in subdivision (b) of Section 19641 and another 5 percent of the distribution shall be paid to a nonprofit corporation, the primary purpose of which is to assist horsemen and backstretch personnel who are being affected adversely as a result of alcohol or substance abuse. A beneficiary otherwise qualified under this section to receive charity day net proceeds shall not be excluded on the basis that the beneficiary provides charitable benefits to persons connected with the care, training, and running of racehorses, except that this type of beneficiary shall make an accounting to the board within one calendar year of the date of receipt of any distribution.
(c)(1) In addition to the distribution pursuant to subdivision (b), a separate 20 percent of the distribution shall be made to a nonprofit corporation or trust, the directors or trustees of which shall serve without compensation except for reimbursement for reasonable expenses, and that has as its sole purpose the accumulation of endowment funds, the income of which shall be distributed to qualified disabled jockeys.
(2) To receive a distribution under this subdivision, a nonprofit corporation or trust shall establish objective qualifications for disabled jockeys and provide an annual accounting and report to the board on its activities indicating compliance with the requirements of this subdivision.
(3) The nonprofit corporation or trust shall, in an amount proportional to the contributions received pursuant to this subdivision as a percentage of the total contributions received by the nonprofit corporation or trust, give preference in assisting qualified disabled jockeys who meet either of the following criteria:
(A) Jockeys who were disabled while participating in the racing or training of horses at licensed racing associations or approved training facilities in California.
(B) Jockeys licensed by the board who were disabled while participating in the racing or training of horses in a state other than California.

19556.5.
The board shall designate a nonprofit organization that is dedicated to research and development of improved safety standards for horse racing as a beneficiary qualified to receive a distribution pursuant to this article.

19557.
Within the 12-month period specified in Section 19555, and prior to the payment of any charity days' net proceeds to any beneficiary, the distributing agent shall submit the name of the beneficiary to the board for the board's approval.
If the board does not disapprove of the beneficiary within 60 days after the submission, its approval shall be deemed to have been given.

Article 8. Regulation Generally

19560.
No person shall, without complying with this chapter, hold or conduct, or assist, aid, or abet in holding or conducting, any meeting in this State where there is horse racing with wagering on its results.

19562.
The board may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all horse races with wagering on their results shall be conducted in this State.

19563.
The board may adopt any rules and regulations of the United States Trotting Association, not inconsistent with this chapter, for the regulation of harness racing.

19564.
The board may adopt any rules and regulations of the Pacific Coast Quarter Horse Racing Association, not inconsistent with this chapter, for the regulation of quarter horse racing.

19565.
Subject to the provisions of this article, the board shall by rule provide for the registration of all California-bred horses.

19566.
The official Stud Book and Registry of the American Quarter Horse Association shall be recognized as the sole official registry for quarter horses. The board shall, however, by rule provide for the registration of California-bred quarter horses to enable compliance with this chapter.

19566.5.
The Stud Book of the Appaloosa Horse Club as approved by the Appaloosa Horse Club shall be recognized as the sole official registry for Appaloosa horses. The Stud Book of the Arabian Horse Registry of America, Inc. shall be recognized as the sole official registry for Arabian horses. The board shall, however, by rule provide for the registration of California-bred Appaloosa horses and Arabian horses to enable compliance with this chapter.

19566.6.
The registry for registered California standardbred stallions shall be maintained by the California Horse Racing Board or its designee and shall be recognized as the sole official registry for stallions whose offspring are eligible to compete in the California Standardbred Sires Stakes Program.

19567.
(a) Since the purpose of this chapter is to encourage agriculture and the breeding of horses in this state, a sum equal to 10 percent of the first money of every purse won by a California-bred horse at a horse race meeting shall be paid by the licensee conducting the meeting to the breeder of the horse. This section applies to any California-bred standardbred horse that is foaled on or after November 1, 1977, for all races, except the California standardbred sires stakes races.
(b) Notwithstanding subdivision (a), a sum equal to 10 percent of the first and second place money of every purse won by a California-bred Arabian horse for first or second place at a horse race meeting shall be deposited with the official registering agency, pursuant to subdivision (b) of Section 19617.8, and shall thereafter be distributed in accordance with subdivisions (c) to (g), inclusive, of Section 19617.8.
(c) Moneys from quarter horse racing derived pursuant to this section shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
(d) Moneys from Appaloosa horse racing derived pursuant to this section shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9.
(e) This section does not apply to thoroughbred horses or thoroughbred racing.

19568.
(a) Every licensee conducting a horse racing meeting shall, each racing day, provide for the running of at least one race limited to California-bred horses and California-sired horses, to be known as the “California-bred race.” If, however, sufficient competition cannot be had among horses of that class on any day, the race, with the consent of the board, may be eliminated for that day and a substitute race provided.
(b) For thoroughbred and quarter horse racing only, the total amount distributed to horsemen and

horsewomen for California-bred and California-sired stakes races, and for races featuring California-breds upon the approval of the official registering agency, from the purse account, including overnight stakes, shall be not less than 10 percent of the total amount distributed for all stakes races from the purse account, including overnight stakes races, at that meeting of the racing association licensed to conduct live racing.
(c) It is the intent of the Legislature that the thoroughbred racing associations in this state, in conjunction with the official registering agency, and owners and trainers organizations meet and report to the board on the establishment of a coordinated California-bred restricted schedule of stakes races designed to showcase California-bred restricted stakes races and qualify registered California-bred horses for the California Cup and the California Cup Day races. It is also the intent of the Legislature that the report be submitted to the board annually at least 60 days prior to the start of the racing year.

19569.
In order to encourage and develop the racing of quarter horses, whenever a fair conducts a program of horse races on which there is parimutuel wagering, it shall, so far as practicable, provide a program of quarter horse racing on the same days that it provides a program of other types of horse racing, if sufficient quarter horses are available to provide competition in one or more quarter horse races.
Such quarter horse events may be in addition to the customary number of thoroughbred or standardbred events.

19572.
The board may, by rule, provide for the exclusion or ejection from any inclosure where horse races are authorized, or from specified portions of that inclosure, of any known bookmaker, known tout, person who has been convicted of a violation of any provision of this chapter or of any law prohibiting bookmaking or any other illegal form of wagering on horseraces, or any other person whose presence in the inclosure would, in the opinion of the board, be inimical to the interests of the state or of legitimate horse racing, or both. No rule shall provide for the exclusion or ejection of any person on the ground of any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code.

19573.
Any person who, pursuant to a rule of the board, is excluded or ejected from any inclosure where horse racing is authorized may apply to the board for a hearing on the question of whether the rule is applicable to him.
The board shall hold the hearing either at its next regular meeting after receipt of the application at the office of the board nearest the residence of the applicant or at such other place and time as the board and the applicant may agree upon.
If, upon the hearing, the board determines that the rule does not or should not apply to the applicant, it shall notify all persons licensed under Article 4 of this chapter of such determination.
If the board determines that the exclusion or ejection was proper, it shall make and enter in its minutes an order to that effect. Such order shall be subject to review by any court of competent jurisdiction in accordance with law.

19574.
Any person who is excluded or ejected from an inclosure pursuant to a rule or rules promulgated pursuant to the provisions of Section 19572 is guilty of a misdemeanor if he thereafter enters the inclosure of any association during its horse race meeting without having first obtained a determination by the board that the rule or rules pursuant to which he was excluded or ejected does not or should not apply to him.

19576.
(a) No person may furnish a tape of any quarter horse race occurring in this state to any other person

either within or outside of the state for any commercial purpose, including the use of the tape in any type of video game, without first securing the consent of the racing association conducting the meeting, the organization representing horsemen participating in the meeting, and the board.
(b) No person may use any tape of any quarter horse race occurring in this state for any commercial purpose without first securing the consent of the racing association holding the meeting, the organization representing horsemen participating in the meeting, and the board.
(c) Any person whose consent is required under this section may file and maintain an action in superior court to obtain an injunction against the furnishing or commercial use of a quarter horse race tape in violation of this section.

19577.

a) (1) Any blood or urine test sample required by the board to be taken from a horse that is entered in any race shall be divided or taken in duplicate, if there is sufficient sample available after the initial test sample has been taken. The initial test sample shall be referred to as the official test sample, and the secondary sample shall be referred to as the split sample. All samples immediately become and remain the property of the board. The board shall adopt regulations to ensure the security of obtaining and testing of all samples.
(2) Paragraph (1) does not apply to total carbon dioxide testing. The board shall adopt emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) to establish policies, guidelines, and procedures that include a split sample process related to total carbon dioxide testing. These regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. The emergency regulations shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations, and shall be replaced by final, permanent regulations within 120 days of their adoption.
(b) If the official test sample is found to contain a prohibited drug substance, the executive director, after consulting with and agreeing with the equine medical director that the official test sample contains a prohibited substance, shall confidentially inform the owner and trainer of those results. The owner or the trainer of the horse, upon being so informed, may request that the split sample be tested by an independent laboratory selected from a list of laboratories provided by and approved by the board. The owner or trainer of the horse shall pay the cost of testing the split sample.
(c) If the split sample test results fail to confirm the finding of the prohibited drug substance found in the official test sample, a presumption affecting the burden of producing evidence pursuant to Section 603 of the Evidence Code of no evidentiary prohibited drug substance in the animal shall exist for purposes of this chapter.
(d) The executive director shall report to the board a finding of a prohibited drug substance in an official test sample within 24 hours of the confirmation of that prohibited drug substance in the split sample by the independent laboratory, or within 24 hours of waiver of the split sample testing by the owner or trainer. Any recommendation to the board by the executive director to dismiss the matter shall be by mutual agreement with the equine medical director. The authority for the disposition of the matter shall be the responsibility of the board.
(e) The executive director shall maintain responsibility for all test samples until the executive director refers the matter to the board. Notwithstanding any other law, and except as provided in subdivision (a), the results of the tests from the official testing laboratory, the Kenneth L. Maddy Equine Analytical Chemistry Laboratory, and the independent laboratory shall be confidential until or unless the independent laboratory confirms the finding of the prohibited substance in the split sample or waiver of the split sample testing is given by the owner or trainer. Nothing in this subdivision shall be construed to be retroactive or affect the confidentiality of test results collected before January 1, 2021.
(f) The board shall post on its internet website the results of all nonconfidential official test samples within five business days of the confirmation of the split sample or waiver of the split sample testing by the owner or trainer.
(g) If the owner or trainer does not request that the split sample be tested within the time limits set by the

board, the owner and trainer waive all rights to that sample and the board assumes all jurisdiction over the split sample.
(h) The board shall contract with the Regents of the University of California to be the primary drug testing laboratory performing the equine drug testing required by this section.
19578.
(a) It is the intent of the Legislature that the board contract with the Regents of the University of California to provide equine drug testing. It is further the intent of the Legislature that to the extent that resources are available, the California Animal Health and Food Safety Laboratory perform studies that may lead to the development of alternative or improved drug testing techniques.
(b) The Kenneth L. Maddy Equine Analytical Chemistry Laboratory shall be located at the University of California at Davis in order to take advantage of the expertise of the veterinary specialists at that campus' School of Veterinary Medicine. The laboratory shall be a part of the California Animal Health and Food Safety Laboratory. Any capital outlay expenditures for the Kenneth L. Maddy Equine Analytical Chemistry Laboratory shall comply with Section 13332.11 of the Government Code.
(c) Funds collected under Article 9.2 (commencing with Section 19605) and Article 9.5 (commencing with Section 19610) for purposes of the California Animal Health and Food Safety Laboratory and the Center for Equine Health shall be deposited in the California Animal Health and Food Safety Laboratory and Center for Equine Health Account in the Fair and Exposition Fund. Funds deposited in that account constitute trust funds and shall be held in trust and may be expended only for the purposes for which those funds are authorized to be expended pursuant to this section. The funds designated for the California Animal Health and Food Safety Laboratory shall be distributed to that system and shall be used to fund the construction costs, equipment costs, and for the repayment of the principal of, interest on, and costs of issuance of, and as security, including any coverage factor, pledged to the payment of, bonds issued or other debt service or expense, including repayment of any advances made or security required by any provider of credit enhancement or liquidity for those bonds or other indebtedness, or expense of maintaining that credit enhancement or liquidity, incurred for the purpose of constructing the Kenneth L. Maddy Equine Analytical Chemistry Laboratory, and for the operating costs of the Kenneth L. Maddy Equine Analytical Chemistry Laboratory. The funds designated for the Center for Equine Health shall be distributed to the Center for Equine Health, School of Veterinary Medicine, University of California, Davis.
(d) Title to the Kenneth L. Maddy Equine Analytical Chemistry Laboratory shall vest in the Regents of the University of California. The laboratory shall be used in a manner that is consistent with Section 19577 and this section.
(e) The board shall contract to provide compensation for an equine medical director who shall advise the Kenneth L. Maddy Equine Analytical Chemistry Laboratory and be appointed by the Dean of the School of Veterinary Medicine under applicable university hiring rules with the advice of the board. The equine medical director shall be a member of the scientific advisory committee to the Kenneth L. Maddy Equine Analytical Chemistry Laboratory, and act as the primary advisor to the board on all matters relating to medication and drug testing, the practice of veterinary medicine within the areas regulated by the board, and the health and safety of horses within the inclosure.
(f) The budget for equine drug testing to be performed by the California Animal Health and Food Safety Laboratory pursuant to Section 19577 shall be established as a permanent line item in the budget of the board. Operating budget requests shall be submitted annually by the university, and the board shall transfer funds appropriated for the operation of the laboratory and for equipment, in accordance with the contract, to the university.
(g) The board and the University of California may expand the services provided by the laboratory to the board in a manner that is mutually agreeable and is consistent with Section 19577 and this section.

19578.1.
If the equine drug testing is not conducted by the Kenneth L. Maddy Equine Analytical Chemistry Laboratory at the University of California, Davis, the board shall contract with the best qualified equine drug testing laboratory at a compensation rate that the board determines is fair and reasonable to the State of California and the board.

19578.2.
At the discretion of track stewards, horses that ship in on racing days may be subject to video surveillance for purposes of monitoring compliance with this chapter.

Article 8.5. Equine Medication

19580.
(a) The board shall adopt regulations to establish policies, guidelines, and penalties relating to equine medication in order to preserve and enhance the integrity of horse racing in the state. Those policies, guidelines, and penalties shall include, at a minimum, the provisions set forth in this article.
(b) It is the intent of the Legislature that the board, in its testing efforts to determine illegal or excessive use of substances, recognize the greater importance of conducting complete and thorough testing of a lesser number of samples in preference to conducting less thorough testing on a greater number of samples.

19581.
No substance of any kind shall be administered by any means to a horse after it has been entered to race in a horse race, unless the board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof. The board may require that the official veterinarian approve, in writing, the administration of those substances in accordance with the regulations of the board. Any medication or equipment used to dispense medication that is located within the inclosure is subject to search and inspection at the request of any board official.

19582.
(a) (1) Violations of Section 19581, as determined by the board, are punishable as set forth in regulations adopted by the board.
(2) The board may classify violations of Section 19581 based upon each class of prohibited drug substances, prior violations within the previous three years, and prior violations within the violator's lifetime.
(3) (A) The board may provide for the suspension of a license for not more than three years, except as provided in subdivision (b), or a monetary penalty of not more than one hundred thousand dollars ($100,000), or both, and disqualification from purses, for a violation of Section 19581.
(B) The actual amount of the monetary penalty imposed pursuant to this paragraph shall be determined only after due consideration has been given to all the facts, circumstances, acts, and intent of the licensee, and shall not be solely based on the trainer-insurer rule, as established in Sections 1843 and 1887 of Title 4 of the California Code of Regulations.
(4) The punishment for second and subsequent violations of Section 19581 shall be greater than the punishment for a first violation of Section 19581 with respect to each class of prohibited drug substances, unless the administrative law judge, in findings of fact and conclusions of law filed with the board, concludes that a deviation from this general rule is justified.
(b) (1) A third violation of Section 19581 during the lifetime of the licensee, determined by the board to be at a class I or class II level, may result in the permanent revocation of the person's license.
(2) The administrative law judge shall, after consideration of the circum- stances surrounding a violation specified in paragraph (1), file a decision with the board that includes findings of fact and conclusions of

law.
(c) Any person whose license is suspended or revoked pursuant to this section shall not be entitled to receive any material benefit or remuneration in any capacity or from any business activity permitted or allowed by the license during any period of its suspension or revocation.
(d) The penalties provided by this section are in addition to any other civil, criminal, and administrative penalties or sanctions provided by law, and do not supplant, but are cumulative to, other penalties or sanctions.

19582.5.
The board may adopt regulations that prohibit the entry in a race of a horse that tests positive for a drug substance in violation of Section 19581. Upon a finding of a prohibited drug substance in an official test sample, a horse may be summarily disqualified from the race in connection with which the drug sample was taken. Upon the disqualification of a horse pursuant to these regulations, any purse, prize, award, or record for that race shall be forfeited. However, the board, including its hearing officers and stewards, shall have the authority to order, in the interests of justice, that a jockey be permitted to keep his or her share of the purse, prize, or award for that race upon a finding that a person, other than the jockey, willfully, and with flagrant disregard for recommended veterinary practice and the regulations of the board, administered the prohibited substance. Such an order may provide that the jockey's share of the purse, prize, or award shall be paid by the person or persons determined to be responsible for willfully administering the prohibited substance.

19583.
Every veterinarian who treats a horse within the inclosure shall, in writing, on a form prescribed by the board, report to the official veterinarian in a manner prescribed by him or her, the name of the horse treated, the name of the trainer of the horse, the time of treatment, any medication administered to the horse, and any other information requested by the official veterinarian.

19583.5.
(a) Horses that are unsound or lame are subject to immediate placement on the Veterinarian's List with criteria for removal that may include diagnostic imaging, examination of blood, and counsel with attending veterinarians.
(b) A horse placed on the Veterinarian's List for being unsound or lame shall not workout for seven days after being placed on the list without the permission of the official veterinarian.
(c) The official veterinarian shall require any horse placed on the Veterinarian's List to undergo a veterinary examination that may include diagnostic imaging before resuming training at any facility under the jurisdiction of the board.
(d) A horse placed on the Veterinarian's List as unsound or lame shall be removed from the list only after having established or demonstrated to the satisfaction of the official veterinarian that the horse is then raceably sound and in fit physical condition to exert its best effort in a race.
(e) (1) A horse placed on the Veterinarian's List as unsound or lame for the first time within a 365-day period shall stay on the Veterinarian's List for a minimum of 15 days before the horse is eligible to be removed from the list.
(2) A horse placed on the Veterinarian's List as unsound or lame for the second time in 365 days shall stay on the Veterinarian's List for a minimum of 45 days before the horse is eligible to be removed from the list.
(3) A horse placed on the Veterinarian's List as unsound or lame for the third time in 365 days shall stay on the Veterinarian's List for a minimum of 75 days before the horse is eligible to be removed from the list.
(4) A horse placed on the Veterinarian's List as unsound or lame for the fourth time in 365 days shall stay on the Veterinarian's List for a minimum of 180 days before the horse is eligible to be removed

from the list.
(f) The board may adopt rules and regulations to carry out the purposes of this section.
(g) As used in this section, “workout” means an exercise session near full speed, or close to full speed.

19583.7.
In addition to any criteria set forth by a racing association, a thoroughbred or quarter horse that is four years of age or older that has not competed in a race or has previously raced but has not raced in the preceding 365 days shall not be allowed to race, unless the horse has passed an examination and a postwork official blood test or tests required by the official veterinarian or the equine medical director, administered by the official veterinarian or the equine medical director’s designee. The horse shall race within 30 days after meeting these requirements. A thoroughbred or quarter horse that has not raced within 120 days but has raced within 365 days shall have an examination performed by the official veterinarian or the equine medical director’s designee within 14 days before entry. Based upon that examination, the official veterinarian or the equine medical director’s designee may require the horse to work before being allowed to enter in a race. If the horse is required to work, it shall meet the same requirements as a horse that is working to be taken off the Official Veterinarian’s List, as specified in Section 19583.5 or any regulation adopted by the board pursuant to that section.

19583.9.
(a) All horses at a licensed thoroughbred, fair, or quarter horse race meet shall be subject to veterinary monitoring during morning training. A licensed trainer and their staff shall be required to cooperate fully with all requests made by board-licensed veterinarians and outriders. All examining veterinarians at a race meet conducting live racing shall be under the direct supervision of the official veterinarian or the equine medical director.
(b) A trainer shall not administer, directly or indirectly, or otherwise permit to be administered, any medication to a horse under the trainer’s care that is racing or training at a board-approved racetrack, unless the medication is prescribed for that specific horse and administered strictly in accordance with board regulations.
(c) A trainer shall not apply to a horse’s feet on racing day any type of topical medication designed to alleviate pain, soreness, or tenderness of a horse’s feet.
(d) The use of diagnostic imaging shall be an accepted component of prerace examinations by an examining veterinarian. The official veterinarian may order the diagnostic imaging if they believe that the use is warranted. In addition, video footage may be used and maintained by the official veterinarian for the purpose of comparison when a horse is removed from the Veterinarian’s List.

19583.10.
A racing association shall provide a location within the inclosure where a horse can be observed jogging in a circle in both directions by the official veterinarian or the equine medical director’s designee, if needed, as part of the prerace examination process.

19585.
The board shall establish and maintain a whistleblower program through which an owner, trainer, jockey, or stable-area employee may call designated persons under strict confidentiality to report questionable activity or concerns relating to the health and safety of humans or horses under this chapter.

Article 9. Wagering

19590.
The board shall adopt rules governing, permitting, and regulating parimutuel wagering on horse races

under the system known as the parimutuel method of wagering. Parimutuel wagering shall be conducted only by a person or persons licensed under this chapter to conduct a horse racing meeting or authorized by the board to conduct advance deposit wagering.

19591.
Any licensee conducting a horse racing meeting shall provide a place within the meeting grounds or inclosure where the licensee may conduct, operate, and supervise the parimutuel method of wagering in accordance with this chapter.

19592.
The parimutuel system of wagering shall be operated only by a totalizator or other equipment approved by the board. The board shall not require any particular make of equipment. The communications system, technology, and method used to accept wagers and transmit odds, results, and other data related to wagering shall be approved by the board.

19592.5.
In order to facilitate the intrastate transmission of racing programs, the board shall adopt regulations that provide for the compatibility of parimutuel totalizator systems within the state, including uniform procedures for the placing and cashing of parimutuel wagers.

19593.
No method of betting, pool making, or wagering other than by the parimutuel method shall be permitted or used by any person licensed under this chapter to conduct a horse racing meeting.

19594.
Any person within the inclosure where a horse racing meeting is authorized may wager on the result of a horse race held at that meeting by contributing his money to the parimutuel pool operated by the licensee under this chapter. Such wagering is not unlawful, any other law of the State of California to the contrary notwithstanding.

19595.
Any form of wagering or betting on the result of a horse race other than that permitted by this chapter is illegal.

19596.
(a) Notwithstanding any other provision of law, the board may do any of the following:
(1) Authorize a licensed harness racing association that is conducting a live racing meeting in this state to accept wagers on the full card of races conducted by another racing association on the day that other association conducts the Breeders' Crown Stakes, the Meadowlands Pace, the Hambletonian, the Cane Pace, the Kentucky Futurity, or the North American Cup.
(2) Authorize a licensed quarter horse racing association that is conducting a live racing meeting in this state to accept wagers on either of the following:
(A) Races conducted by the racing association that conducts the American Quarter Horse Racing Challenge, if the races are conducted on the same day as the American Quarter Horse Racing Challenge.
(B) The full card of races conducted by another racing association on the day that other association conducts the Texas Classic Futurity and Remington Park Futurity.
(3) Authorize the inclusion of wagers authorized pursuant to this section in the parimutuel pools of the out-of-state association that conducts the races on which the wagers are placed.
(b) The board authorization may be granted under this section only if both of the following conditions are met:
(1) The authorization complies with federal laws, including, but not limited to, Chapter 57 (commencing

with Section 3001) of Title 15 of the United States Code.
(2) Wagering is offered only within the racing enclosure and only within seven days of the running of the out-of-state race.

19596.1.
(a) Notwithstanding any other law, the board may authorize a harness or quarter horse association conducting a race meeting to accept wagers on the results of out-of-state or out-of-country harness or quarter horse races and, with the board's approval and with the concurrence of the horsemen's and horsewomen's organization contracting with the association, other designated harness or quarter horse races during the period it is conducting the racing meeting, if all of the following conditions are met:
(1) The authorization complies with federal laws, including, but not limited to, Chapter 57 (commencing with Section 3001) of Title 15 of the United States Code.
(2) Wagering is offered only within the racing enclosure and only within 36 hours of the running of the out-of-state or out-of-country feature race.
(3) The association conducts at least seven live races, and imports not more than 10 races on those days during a racing meeting when live races are being run, except as provided in subdivision (b).
(4) If only one breed of horse specified in this section is being raced on a given day, then the association conducting the live racing may import those races that would otherwise be simulcast by the association that is not racing. After the usual deductions, including the portion for the racing association, the portion remaining for purses from these races shall be distributed equally for purses for harness and quarter horse horsemen and horsewomen.
(5) A quarter horse or harness racing association shall not accept wagers on out-of-state or out-of-country quarter horse or harness races commencing before 5:30 p.m., Pacific standard time, without the consent of any thoroughbred association or fair that is then conducting a live racing meeting in this state.
(b) An association that is authorized to import races pursuant to subdivision (a) may, at its sole discretion, import fewer than the maximum number of harness or quarter horse races authorized in paragraph (3) of subdivision (a). For up to two races per night, for each race that is not imported under the maximum authorized by paragraph (3) of subdivision (a) on a particular night of racing, the association may add a race to the number of races allowable under the maximum authorization on another night of racing. However, no more than two races may be added under this subdivision to the number allowable on a single night, and the total number of imported races over a calendar year may not exceed the total number of imported races authorized pursuant to paragraphs (3) and (4) of subdivision (a).
(c) Notwithstanding any other law, wagering on a nightly program of out-of-country harness racing from a single racetrack, regardless of the number of those races, may be accepted if all of the following conditions are met:
(1) Only a harness racing association may import a nightly program of out-of-country harness racing from a single racetrack on days when a harness racing association is conducting live racing.
(2) On days when a harness racing association does not conduct live racing, a quarter horse association conducting live racing on that day may accept wagers on a nightly program of out-of-country harness racing from a single racetrack.
(3) A nightly program of out-of-country harness racing from a single racetrack may be imported in addition to the authorizations in subdivisions (a) and (b).
(4)(A) After the deductions required by this article and the rules of the board, the remaining funds from the total amount handled on out-of-country harness racing authorized pursuant to this subdivision shall be distributed equally to the racing associations conducting night meetings in that calendar year.
(B)Funds distributed to a harness racing association pursuant to this subdivision shall be distributed 50 percent as commissions and 50 percent as purses. Funds distributed to a quarter horse racing association pursuant to this subdivision shall be distributed as commissions.

19596.2.
(a) Notwithstanding any other law and except as provided in Section 19596.4, a thoroughbred racing association or fair may distribute the audiovisual signal and accept wagers on the results of out-of-state thoroughbred races conducted in the United States during the calendar period the association or fair is conducting a race meeting, including days on which there is no live racing being conducted by the association or fair, without the consent of the organization that represents horsemen and horsewomen participating in the race meeting and without regard to the amount of purses. Further, the total number of thoroughbred races imported by associations or fairs on a statewide basis under this section shall not exceed 75 per day on days when live thoroughbred or fair racing is being conducted in the state. The limitation of 75 imported races per day does not apply to any of the following:
(1) Races imported for wagering purposes pursuant to subdivision (c).
(2) Races imported that are part of the race card of the Kentucky Derby, the Kentucky Oaks, the Preakness Stakes, the Belmont Stakes, the Jockey Club Gold Cup, the Travers Stakes, the Pegasus World Cup, the Arlington Million, the Breeders' Cup World Championship, the Dubai World Cup, the Arkansas Derby, the Apple Blossom Handicap, the Blue Grass Stakes, the Whitney Stakes, or the Haskell Invitational.
(3) Races imported into the northern zone when there is no live thoroughbred or fair racing being conducted in the northern zone.
(4) Races imported into the combined central and southern zones when there is no live thoroughbred or fair racing being conducted in the combined central and southern zones.
(b) Any thoroughbred association or fair accepting wagers pursuant to subdivision (a) shall conduct the wagering in accordance with the applicable provisions of Sections 19601, 19616, 19616.1, and 19616.2.
(c) Except as provided in subdivision (d), a thoroughbred association or fair shall not accept wagers pursuant to this section on out-of-state races commencing after 7 p.m., Pacific standard time, without the consent of the harness or quarter horse racing association that is then conducting a live racing meeting in the County of Orange or the County of Sacramento.
(d) When the total number of thoroughbred races imported by associations or fairs on a statewide basis under this section is between 51 and 75 on a day when live thoroughbred or fair racing is being conducted in the state, a thoroughbred association or fair shall not accept wagers pursuant to this section on out-of-state races commencing after 5 p.m., Pacific standard time, without the consent of the harness and quarter horse racing association that is then conducting a live racing meeting in the County of Orange or the County of Sacramento.

19596.21.
(a) In addition to the authorizations to accept wagers on out-of-state and out-of-country races pursuant to Sections 19596.2 and 19596.3 and in any other provision of law, during calendar periods when a thoroughbred association or another fair in the northern zone and the Humboldt County Fair simultaneously conduct live race meetings, the Humboldt County Fair and a thoroughbred association in the southern zone when conducting a live race meeting may accept wagers on days when live races are being run on the results of not more than eight out-of-state thoroughbred horse races, if all of the following conditions are met:
(1) The authorization complies with federal laws, including, but not limited to, Chapter 57 (commencing with Section 3001) of Title 15 of the United States Code.
(2) The Humboldt County Fair conducts at least six live races.
(3) The Humboldt County Fair and thoroughbred association in the southern zone shall accept these wagers only on out-of-state thoroughbred races that commence before 4:30 p.m., Pacific standard time.
(b) The Humboldt County Fair may contract with the thoroughbred association or fair in the southern zone to distribute the signal statewide on its behalf.
(c) Any thoroughbred association or fair accepting wagers pursuant to this section shall conduct the wagering in accordance with the applicable provisions of Sections 19601, 19616, 19616.1, and 19616.2, except that subdivision (i) of Section 19601 shall not be applicable for the purpose of fulfilling the

authorization described in this section.

19596.3.
Notwithstanding any other provision of law, a thorough- bred racing association or fair may distribute the audiovisual signal and accept wagers on the results of out-of-country thoroughbred races during the calendar period the association or fair is conducting a race meeting, without the consent of the organization that represents horsemen participating in the race meeting. Out-of-country races shall be imported under the following conditions:
(a) A thoroughbred association or fair shall conduct the wagering in accordance with the applicable provisions of Sections 19601,19616, 19616.1, and 19616.2.
(b) No thoroughbred association or fair may accept wagers pursuant to this section on out-of-country races commencing after 5:30 p.m., Pacific standard time, without the consent of the harness or quarter horse racing association that is then conducting a live racing meeting.
(c) A thoroughbred racing association or fair distributing the audio- visual signal and accepting wagers on the results of out-of-country races pursuant to this section may execute an agreement with an association that conducts thoroughbred races in the southern zone to allow that association to distribute the signal and accept wagers on the results of out-of-country thoroughbred races, except that the license fees paid to the state shall be double the amount paid by a quarter horse racing association specified in subdivision (b) of Section 19605.7.

19596.4.
(a) Notwithstanding subdivision (a) of, and subject to the conditions specified in subdivisions (c) and (d) of, Section 19596.2, if the total number of thoroughbred and fair racing days allocated by the board in the northern zone in any calendar year commencing with the calendar year 2001 is less than the total number of thoroughbred and fair racing days allocated by the board in calendar year 2000, a thoroughbred racing association or fair that has been allocated fewer racing days in the northern zone may distribute the audiovisual signal and accept wagers on the results of out-of-state and out-of-country thoroughbred races during the calendar period the association or fair is licensed to conduct a live race meeting, excluding Saturdays and Sundays.
(b) The total number of out-of-state and out-of-country thoroughbred races upon which wagers may be accepted pursuant to this section shall be sufficient to the extent reasonably possible to prevent any loss of revenue to the General Fund and the California racing participants, as determined by the executive director of the board but shall not exceed a maximum of three out-of-state or out-of-country thoroughbred races for every live race that has been eliminated by the board. A thoroughbred racing association in the northern zone shall not import these races on a day when a fair is conducting live racing in the northern zone.

19597.
Notwithstanding any other provision of this chapter, a person licensed under this chapter to conduct a horse racing meeting shall, as to any payment made to a person who has wagered by contributing to a pari-mutuel pool operated by such licensee, also deduct the applicable breakage, as defined by Section 19405.

19597.5.
A person licensed under this chapter to conduct a horse racing meeting shall hold in trust the distributions required to be made pursuant to this chapter until the funds are paid to the various distributees. These required deductions, except for those that enure to the benefit of the racing association, are trust funds and shall not be used by the racing association for any purpose other than for payment to those distributees as directed by this chapter. These funds are not the property of the racing association, but are merely held in trust for the benefit of the statutory distributees until the funds are distributed to them

in accordance with this chapter. These funds shall be held in a separate depository account until they are actually distributed as provided for in this chapter.

19598.
Any person claiming to be entitled to any part of a redistribution from a parimutuel pool operated by a licensee under this chapter, who fails to claim the money due the person prior to the completion of the horse racing meeting at which the pool was formed, may file a claim with the association issuing the person's ticket prior to May 15 of the year immediately following the close of the horse racing meeting.
The funds which were unclaimed within the period specified under this section are designated as "unclaimed tickets" and shall be distributed in accordance with this chapter.

19599.
An association or fair may offer any form of parimutuel wagering, as defined by regulations adopted by the board, or as defined by Chapter 4, Pari-Mutuel Wagering, Model Rules of Racing, as published by the Association of Racing Commissioners International. The board may prohibit any form of parimutuel wagering if it determines that the proposed wagering would compromise the honesty and integrity of racing in the state. Each racing association or fair shall include the types of conventional exotic and other wagering it proposes to offer on its application to conduct a horse racing meeting.
19601.
(a) Notwithstanding any other provision of law, a licensed association or fair that is conducting a live meeting in any racing zone may accept wagers on any race conducted in this state, if all of the following requirements are met:
(1) The association or fair that conducts the racing meeting and the organization that is responsible for negotiating purse agreements on behalf of the horsemen participating in that racing meeting consent to the acceptance of the wagers. However, if consent is withheld, any party may appeal the withholding of consent to the board, which may determine that consent is not required.
(2) The association or fair conducts not less than eight races on days when the association or fair is licensed to conduct racing, except that fewer than eight live races per day may be conducted by the mutual agreement of the association or fair and the organization that is responsible for negotiating purse agreements on behalf of the horsemen participating in the racing meeting.
(3) Wagering is offered only within the association's or fair's racing inclosure or within the satellite wagering facility and only within seven days of the commencement of the racing program with the transmitted race.
(4) All wagers are included in the appropriate parimutuel pool at the racetrack of the association or fair where the race is conducted, or, in the appropriate parimutuel pool of the racetrack of the association or fair that accepts the transmitted race.
(5) The association or fair accepting wagers on an out-of-zone trans- mitted race distributes the audiovisual signal of the race to, and accepts wagers from, all eligible satellite wagering facilities.
(b) Any association or fair accepting wagers under subdivision (a) shall deduct, from the total amount handled in each conventional and exotic parimutuel pool on the transmitted race, the same percentages deducted pursuant to Article 9.5 (commencing with Section 19610) for races at its own meeting. However, if the wagers are from a quarter horse race meeting, then the amounts deducted shall be the same as for a quarter horse race meeting. Amounts deducted under this section, including amounts deducted from wagers on out-of-zone races within the inclosure of the association or fair, shall be distributed as provided under Sections 19605.7, 19605.72, and 19605.73 with respect to wagers made within the northern zone, or Sections 19605.71, 19605.72, and 19605.73 with respect to wagers made within the central or southern zone, except that amounts distributed for purposes other than state license fees and fees payable to the Center for Equine Health, School of Veterinary Medicine, University of California at Davis, and the California Animal Health and Food Safety Laboratory shall be proportionally reduced by the amount of any fees paid to the Triple Crown or Breeder's Cup day host association pursuant to

subdivision (c). The method used to calculate the reduction in proportionate share shall be approved by the board. For wagers on out-of-state and out-of-country races made within the association's or fair's inclosure, 1 percent shall be distributed to the association or fair as a satellite wagering facility commission.
(c) Nothing in this section precludes an association or fair from charging a fee as a condition of transmitting the Triple Crown or Breeder's Cup day races, except that any fee shall be allocated among all associations, fairs, and satellite wagering facilities receiving the transmitted race in proportion to the amount wagered at each location, and the fee shall equal that charged by the entity conducting the race or races. Further, the only fee that can be charged as a condition of transmitting the signal of an out-of-zone race shall be a fee of 2.5 percent on Breeder's Cup day races.
(d) All breakage and unclaimed tickets, including unclaimed refunds, shall be distributed equally between the association or fair that accepts wagers on the transmitted race, and the horsemen, in the form of purses. The purse moneys generated by this subdivision shall be made available for purses during the meeting in which they are received by the association or fair, or, if the association or fair is not then conducting a live racing meeting, during the next succeeding meeting of the association or fair.
(e) All wagers made pursuant to this section shall be considered to have been wagered at a satellite wagering facility and shall be excluded from total handle for the purposes of Section 19611.
(f) Notwithstanding Section 19530.5, satellite wagering facilities operated by a fair, in the Counties of Fresno, Kern, or Tulare shall be considered northern zone facilities and shall receive their audiovisual signal from the association or fair conducting a racing meeting in the northern zone that is authorized to distribute the signal and accept wagers on central and southern zone races. Satellite wagering facilities operated by a fair, in the Counties of Santa Barbara or Ventura shall be considered central-southern zone facilities and shall receive the audiovisual signal from the association or fair conducting a racing meeting in the central or southern zone that is authorized to distribute the signal and accept wagers on northern zone races.
(g) All purse moneys derived from wagering on out-of-zone races at fair racing meetings shall be distributed to all breeds of horses participating in the fair meeting in direct proportion to the purse money generated by breed on live races conducted during the fair race meeting.
(h) During calendar periods when both a fair and a thoroughbred association conduct live racing, the amounts deducted under this section shall be distributed on any day of overlap as provided in Section 19607.5, except that the applicable state license fee shall be at the rate specified for nonfair meetings in subdivision (b) of Section 19605.7.
(i) During calendar periods when a thoroughbred association and a fair, or a thoroughbred association and any other breed association are conducting a racing meeting in the same zone, the thoroughbred association shall be the association authorized to distribute out-of-zone, out-of-state, or out-of-country thoroughbred or fair races, except that the thoroughbred association may waive this right and allow the other breed racing association conducting a race meeting to distribute the signal and accept wagers on out-of-zone, out-of-state, or out-of-country thoroughbred or fair races for any racing day or days. For the purposes of this subdivision, the combined central and southern zone shall be considered one zone.
(j) In order to ensure, to the extent possible, that out-of-state and out- of-country simulcasting, furthers the purposes of this section, a committee made up of one representative from each of the then-operating thorough- bred associations or fairs that are conducting a live racing meeting in the state and one representative of the organization responsible for negotiating purse agreements on behalf of the horsemen participating in the meeting shall do the following:
(1) Determine the out-of-state or out-of-country thoroughbred races to be imported on a statewide basis pursuant to provisions of this chapter.
(2) Ensure, to the extent possible, that the fees charged by out-of-state or out-of-country entities for these signals are at the lowest obtainable rate and at the same rate statewide, in order to maximize the revenue available to in-state associations and fairs and their horsemen.
(3) Ensure, to the extent possible, due to the reciprocal nature of the interstate simulcasting business, that the maximum obtainable revenue is generated by the sale to out-of-state entities of the audiovisual

signal of races conducted in this state by thoroughbred associations and fairs.
(4) Ensure that program information requirements for in-state signals comply with the standards of the board, but provide that abbreviated program formats may be used for races imported from other jurisdictions.
(k) Notwithstanding any other provision of law, any thoroughbred association or fair, when operating a live racing meeting, shall distribute the signal of all races conducted by, or disseminated by, that association or fair to, and accept wagers on these races from, any association that is licensed to conduct a live quarter horse or harness racing meeting in Orange County and that conducted such a meeting in 1998.
(l) Notwithstanding any other provision of law, all associations or fairs when operating as eligible satellite wagering facilities shall be in compliance with, and subject to the provisions of, Article 9.2 (commencing with Section 19605) of this chapter, and shall display the signal and accept wagers on all live races conducted in this state without regard to breed. Notwithstanding the foregoing provision, a thoroughbred racing association located in the City of Arcadia is exempt from these requirements for live harness and quarter horse races conducted at night unless the thoroughbred racing association facility is open for business at that time and is accepting wagers on other night signals pursuant to this chapter.
A quarter horse racing association located in the southern zone shall display the signal and accept wagers on all races imported by, or conducted by, a harness racing association conducting racing in the northern zone. A harness racing association in the northern zone shall display the signal and accept wagers on all races imported by, or conducted by, a quarter horse racing association conducting racing in the southern zone. On those nights when both the harness racing association in the northern zone and the quarter horse racing association in the southern zone are conducting live racing, the audiovisual signal of both breeds shall be displayed and wagers shall be accepted on both breeds at each of the locations where the live racing is being conducted, and each association shall display the audiovisual signal and accept wagers on the other association's live or imported races throughout their respective facilities, as they do when they are conducting satellite wagering during other periods of the same day. Each association shall pay the other an additional 5 percent of the amount wagered at their respective facilities on the races imported by, or conducted by, the other racing association. The additional 5 percent received by the racing association pursuant to this paragraph shall be distributed as 50 percent as commissions to the racing association and 50 percent as purses to the horsemen participating in the racing meeting. Further, satellite wagering facilities located at fairs may, but are not required to, accept an audiovisual signal on out-of-state or out-of-country races unless the facility is open for business at the time and accepting wagers on other signals pursuant to this chapter.

19601.01
(a) Notwithstanding any other provision of law, a thorough- bred association or fair, upon the filing of a written notice with, and approval by, the board specifying the percentage to be deducted, may deduct from the total amount handled in the pari-mutuel pool for any type of wager an amount of not less than 10 percent nor more than 25 percent. The written notice shall include the written agreement of the thoroughbred association or fair and the horsemen's organization for the meeting of the thoroughbred association or fair accepting the wager. The established percentage to be deducted shall remain in effect until the filing of a subsequent notice with, and approval by, the board, unless otherwise specified in the notice. The amount deducted shall be distributed as prescribed in this chapter. However, any such distribution, except for amounts payable for the support of the board and the equine drug testing program pursuant to subdivision (a) of Section 19616.51, may be modified or redirected upon the filing with, and approval by, the board of a written notice that is authorized and signed by the organization representing each entity affected by the modification or redirection, including, but not limited to, horsemen's organizations, racing associations, and fairs. If the proposed distribution modification or redirection increases or would increase the financial burden of any other organization or entity, the consent of that organization or entity shall also be obtained. This organization or entity consent provision for a distribution modification or redirection applies even if the percentage deduction is not increased pursuant to this

subdivision.
(b) A notice filed with the board to modify or redirect a distribution pursuant to subdivision (a) shall be accompanied by a report detailing all receipts and expenditures over the two prior fiscal years of the funds and accounts proposed to be affected by the notice.
(c) Initial approval of a distribution modification or redirection pursuant to this section shall be limited to a one-year period. An approval may be extended in subsequent years contingent upon annual receipt of the report described in subdivision (e) and a determination by the board that the extension is in the economic interest of thoroughbred racing. However, in order for an initial approval of a distribution modification or redirection to be extended beyond the first year, the consent of each organization and entity that gave its consent to that initial distribution modification or redirection shall also be obtained for the extension. In the absence of the consent of all of these organizations and entities, the board shall not approve the extension.
(d) A thoroughbred association or fair whose written notice for a percentage deduction pursuant to subdivision (a) has been approved by the board shall provide subsequent quarterly reports of receipts and expenditures of the affected funds if requested by the board.
(e) A thoroughbred association or fair whose written notice for a percentage deduction pursuant to subdivision (a) has been approved by the board shall file a report with the board and the respective fiscal commit- tees and Committees on Governmental Organization of the Senate and the Assembly accounting for all receipts and expenditures in any of the affected funds. This report shall be filed within one year of initial board approval and annually thereafter if the approval is extended by the board.
19601.02. (a) Notwithstanding Section 19610, every thoroughbred association or fair that conducts a live race meeting shall deduct an additional 2 percent of the total amount handled on exotic wagers requiring the selection of two wagering interests, and 3 percent of the total amount handled on exotic wagers requiring the selection of three or more wagering interests.
(b) The funds collected pursuant to subdivision (a) from wagers placed within the inclosure of a thoroughbred association or fair conducting a race meeting, at satellite locations within this state, and from account wagers originating within this state, shall be distributed to the purse account of the meet conducting racing in the zone in which the wager was placed, and distributed in accordance with subdivision (d).
(c) Any thoroughbred racing association or fair, when it authorizes betting systems located outside this state to accept wagers on a race, shall retain from the total amount received by the association or fair from the out-of-state betting system, the incremental amount received as a result of the takeout specified in subdivision (a) for distribution as overnight purses in accordance with subdivision (d) without regard to the provisions of paragraph (1) of subdivision (b) of Section 19602. The method utilized to determine the incremental amount received as a result of the takeout increase specified in subdivision (a) shall be established by agreement between the various affected thoroughbred racing associations and fairs and the applicable horsemen’s organization. Should the thoroughbred racing association or fair and the applicable horsemen’s organization be unable to reach an agreement as to the method of making such determination, the board shall determine the appropriate allocation method after a hearing on the matter.
(d) The amounts collected pursuant to subdivisions (b) and (c) shall be utilized solely to augment and not supplant overnight purses. Within 90 days after the conclusion of a given meet, the thoroughbred association or fair receiving funds pursuant to subdivisions (b) and (c) shall report to the board the manner in which the funds were used to augment and not supplant overnight purses at that meet.
(e) The board shall have the authority to postpone or revoke the implementation of the takeout increase specified in subdivision (a) if the board determines that the incremental amount that results from the negotiations with the out-of-state betting systems is incrementally insufficient.

19601.02
(a) Notwithstanding Section 19610, every thoroughbred association or fair that conducts a live race meeting shall deduct an additional 2 percent of the total amount handled on exotic wagers requiring the selection of two wagering interests, and 3 percent of the total amount handled on exotic wagers

requiring the selection of three or more wagering interests.
(b) The funds collected pursuant to subdivision (a) from wagers placed within the inclosure of a thoroughbred association or fair conducting a race meeting, at satellite locations within this state, and from account wagers originating within this state, shall be distributed to the purse account of the meet conducting racing in the zone in which the wager was placed, and distributed in accordance with subdivision (d).
(c) Any thoroughbred racing association or fair, when it authorizes betting systems located outside this state to accept wagers on a race, shall retain from the total amount received by the association or fair from the out-of-state betting system, the incremental amount received as a result of the takeout specified in subdivision (a) for distribution as overnight purses in accordance with subdivision (d) without regard to the provisions of paragraph (1) of subdivision (b) of Section 19602. The method utilized to determine the incremental amount received as a result of the takeout increase specified in subdivision (a) shall be established by agreement between the various affected thoroughbred racing associations and fairs and the applicable horsemen's organization. Should the thoroughbred racing association or fair and the applicable horsemen's organization be unable to reach an agreement as to the method of making such determination, the board shall determine the appropriate allocation method after a hearing on the matter.
(d) The amounts collected pursuant to subdivisions (b) and (c) shall be utilized solely to augment and not supplant overnight purses. Within 90 days after the conclusion of a given meet, the thoroughbred association or fair receiving funds pursuant to subdivisions (b) and (c) shall report to the board the manner in which the funds were used to augment and not supplant overnight purses at that meet.
(e) The board shall have the authority to postpone or revoke the implementation of the takeout increase specified in subdivision (a) if the board determines that the incremental amount that results from the negotiations with the out-of-state betting systems is incrementally insufficient.

19601.2.
During calendar periods when any other fair or thoroughbred association and the Humboldt County Fair simultaneously conduct race meetings in the northern zone, the other fair or thoroughbred association shall be the association authorized to distribute the signal and accept wagers on out-of-zone, out-of-state, and out-of-country races if it complies with the conditions specified in subdivision (a) of Section 19601. The amounts deducted from these wagers shall be distributed as provided in Section 19601. Additionally, from, and to the extent of, commissions and purses generated from the total handle of the other fair or thoroughbred association during the overlap, the other fair or thoroughbred association shall distribute to the Humboldt County Fair, not less than seven days after the close of the racing meeting, an amount equal to 0.75 percent of the out- of-zone, out-of-state, and out-of-country handle.

19601.3.
(a) Notwithstanding any other provision of law, a quarter horse racing association, subject to approval by the board, may deduct from the total amount handled in the parimutuel pool for any type of wager up to 2 percent more of the total amount handled than was authorized on May 1, 2009. Funds deducted pursuant to this additional authority shall be distributed as follows:
(1) All of the funds, up to 1 percent on the first fifty thousand dollars ($50,000) per day handled, to eligible satellite wagering facilities that are in compliance with Article 9.2 (commencing with Section 19605), based on the wagers they accept, and provided further that they accept all available signals from the quarter horse racing association.
(2) The remainder of the funds shall be distributed with 50 percent going to the quarter horse horsemen’s organization for purses and the other 50 percent being retained by the racing association.
(b) Notwithstanding any other provision of law, a harness racing association, subject to approval by the board, may deduct from the total amount handled in the parimutuel pool for any type of wager up to 2 percent more of the total amount handled than was authorized on May 1, 2009. Funds deducted pursuant

to this additional authority shall be distributed as follows:
(1) All of the funds, up to 1 percent on the first fifty thousand dollars ($50,000) per day handled, to eligible satellite wagering facilities that are in compliance with Article 9.2 (commencing with Section 19605), based on the wagers they accept, and provided further that they accept all available signals from the harness racing association.
(2) The remainder of the funds shall be distributed with 50 percent going to the harness horsemen's organization for purses and the other 50 percent being retained by the racing association.

19601.4.
(a) Notwithstanding any other law, a fair, combination of fairs, or an association conducting racing at a fair may, after approval from the board, deduct an additional 1 percent from the total amount handled daily in its conventional and exotic pools. The additional 1 percent shall be deposited into the Inclosure Facilities Improvement Fund, which is hereby created as a special fund in the State Treasury, the moneys of which are available upon appropriation by the Legislature in the annual Budget Act. Any moneys deducted from the handle pursuant to this section shall be used solely for the purpose of facilities maintenance and improvements at a fair's racetrack inclosure for those fairs that contribute to, or for those fairs where an association conducting racing at that fair contributes to, the Inclosure Facilities Improvement Fund.
(b) The secretary shall appoint a committee of not more than five and no fewer than three individuals with expertise in financing, constructing, and managing horse racing facilities, to advise in the administration of the funds. The secretary shall have oversight over the committee. The secretary shall adhere to the same oversight responsibilities as outlined in Section 3201 Food and Agricultural Code when administering the funds contributed and disbursed pursuant to this section.
(c) The secretary shall include in the annual expenditure plan required pursuant to Section 3205 of the Food and Agricultural Code any allocations made pursuant to this section.
(d) For purposes of this section, "secretary" means the Secretary of Food and Agriculture.

19602.
(a) Notwithstanding any other provision of law, any racing association located in this state may authorize betting systems located outside of this state to accept wagers on a race or races conducted or disseminated by that association and may transmit live audiovisual signals of the race or races and their results to those betting systems, except that any authorization is subject to the consent of the host association and applicable federal laws, including, but not limited to, Chapter 57 (commencing with Section 3001) of Title 15 of the United States Code.
(b)(1) Except as provided in paragraph (2), any racing association described in subdivision (a), when it authorizes betting systems located outside of this state to accept wagers on a race, shall pay a license fee to the state in an amount equal to 8 percent of the total amount received by the association from the out-of-state betting system. In addition, with respect to thoroughbred racing only, 3 percent of the amount remaining after the payment of the license fee shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall there- after be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. The remaining amount received by the association shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows: 50 percent to the association as commissions, and 50 percent to the horsemen as purses. All rents, costs, and fees shall be deducted pursuant to a contract between the association that conducts the racing meeting and the horsemen participating in the racing meeting. Notwithstanding any other provision of law, racing associations may form a partnership, joint venture, or any other affiliation in order to negotiate terms and conditions of agreements with out-of-state betting systems.
(2) A thoroughbred association that hosts the series of races known as the "Breeder's Cup'' shall not be required to pay to the state the license fees required pursuant to paragraph (1). Amounts received by the association from out-of-state betting systems as wagers on Breeder's Cup races shall distributed as follows: 50 percent as commissions to the association that conducts the racing meeting, and 50 percent

as purses to the horsemen participating in the meeting.
(c) With the permission of the board, wagers accepted by betting systems located outside of this state may be, but are not required to be, included in the parimutuel pool of the association that conducts the racing meeting in this state. If the wagers accepted by betting systems located outside of this state are included in the parimutuel pool of the association that conducts the racing meeting in this state, the betting system located outside of this state shall, if permissible under applicable law, deduct from the total amount handled in each conventional and exotic parimutuel pool the same total percentages deducted pursuant to Article 9.5 (commencing with Section 19610) by the association that conducts the racing meeting in this state. If the laws of the jurisdiction in which the betting system is located do not permit the betting system to deduct the same percentages as are deducted by the association that conducts the racing, the board may, nonetheless, permit the inclusion of those out-of-state wagers in the association's parimutuel pool if the board determines it to be in the public interest of this state to do so.
(d) If wagers accepted by an association conducting a racing meeting within the state and wagers accepted by a betting system located outside of the state are combined in one parimutuel pool and the association and the betting system both deduct the same total percentages as set forth in subdivision (c), the breakage shall be allocated between the association and the betting system on the basis of a calculation for distribution approved by the board.
(e) If wagers accepted by an association conducting a racing meeting within the state are combined in one parimutuel pool with wagers accepted by a betting system located outside the state and the association and the betting system deduct different percentages from the amount handled in the parimutuel pool, the precise calculation and distribution of payments on winning tickets and breakage between the association and the betting system shall be on the basis of a calculation for distribution approved by the board.
(f) Breakage allocated pursuant to this section to an association conducting a racing meeting within this state shall be distributed in the same manner as would be breakage arising from wagers at the association in the absence of a combined parimutuel pool. This section does not apply to the disposition of breakage allocated to the betting system located outside of the state.
(g) If wagers accepted by a betting system located outside of this state are included in the parimutuel pool of an association conducting a racing meeting in this state, funds in the parimutuel pool attributable to unclaimed tickets relating to wagers accepted by the association conducting racing within the state shall be distributed in the same manner as unclaimed tickets relating to wagers accepted by that association in the absence of a combined parimutuel pool. Funds in the parimutuel pool attributable to unclaimed tickets related to wagers accepted by the betting system located outside of this state shall be allocated to that betting system, and this section does not otherwise apply to the disposition of those funds at that location outside of the state.

19603.
Notwithstanding any other provision of law, any racing association in this state may, with the approval of the board, accept out-of-state wagers on a race or races conducted by or disseminated by that association and may transmit live audiovisual signals of the race or races to locations out of state, except that any wagers made pursuant to this section are subject to applicable federal laws. The amounts deducted and distributed pursuant to this section shall be as provided in Section 19602 for all other out-of-state wagers.

19604.
The board may authorize a racing association, racing fair, betting system, or multijurisdictional wagering hub to conduct advance deposit wagering in accordance with this section. Racing associations, racing fairs, and their respective horsemen's organizations may form a partnership, joint venture, or any other affiliation in order to further the purposes of this section.
(a) As used in this section, the following definitions apply:

(1) “Advance deposit wagering” (ADW) means a form of parimutuel wagering in which a person residing within California or outside of this state establishes an account with an ADW provider, and subsequently issues wagering instructions concerning the funds in this account, thereby authorizing the ADW provider holding the account to place wagers on the account owner’s behalf.
(2) “ADW provider” means a licensee, betting system, or multijurisdictional wagering hub, located within California or outside this state, that is authorized to conduct advance deposit wagering pursuant to this section.
(3) “Betting system” means a business conducted exclusively in this state that facilitates parimutuel wagering on races it simulcasts and other races it offers in its wagering menu.
(4) “Breed of racing” means as follows:
(A) With respect to associations and fairs licensed by the board to conduct thoroughbred, fair, or mixed breed race meetings, “breed of racing” shall mean thoroughbred.
(B) With respect to associations licensed by the board to conduct quarter horse race meetings, “breed of racing” shall mean quarter horse.
(C) With respect to associations and fairs licensed by the board to conduct standardbred race meetings, “breed of racing” shall mean standardbred.
(5) “Contractual compensation” means the amount paid to an ADW provider from advance deposit wagers originating in this state. Contractual compensation includes, but is not limited to, hub fee payments, and may include host fee payments, if any, for out-of-state and out-of-country races. Contractual compensation is subject to the following requirements:
(A) Excluding contractual compensation for host fee payments, contractual compensation shall not exceed 6.5 percent of the amount wagered.
(B) The host fee payments included within contractual compensation shall not exceed 3.5 percent of the amount wagered. Notwithstanding this provision, the host fee payment with respect to wagers on the Kentucky Derby, Preakness Stakes, Belmont Stakes, and selected Breeders’ Cup Championship races may be negotiated by the ADW provider, the racing associations accepting wagers on those races pursuant to Section 19596.2, and the horsemen’s organization.
(C) In order to ensure fair and consistent market access fee distributions to associations, fairs, horsemen, and breeders, for each breed of racing, the percentage of wagers paid as contractual compensation to an ADW provider pursuant to the terms of a hub agreement with a racing association or fair when that racing association or fair is conducting live racing shall be the same as the percentage of wagers paid as contractual compensation to that ADW provider when that racing association or fair is not conducting live racing.
(6) “Horsemen’s organization” means, with respect to a particular racing meeting, the organization recognized by the board as responsible for negotiating purse agreements on behalf of horsemen participating in that racing meeting.
(7) “Hub agreement” means a written agreement providing for contractual compensation paid with respect to advance deposit wagers placed by California residents on a particular breed of racing conducted outside of California. In the event a hub agreement exceeds a term of two years, then an ADW provider, one or more racing associations or fairs that together conduct no fewer than five weeks of live racing for the breed covered by the hub agreement, and the horsemen’s organization responsible for negotiating purse agreements for the breed covered by the hub agreement shall be signatories to the hub agreement. A hub agreement is required for an ADW provider to receive contractual compensation for races conducted outside of California.
(8) “Hub agreement arbitration” means an arbitration proceeding pursuant to which the disputed provisions of the hub agreement pertaining to the hub or host fees from wagers on races conducted outside of California provided pursuant to paragraph (2) of subdivision (b) are determined in accordance with the provisions of this paragraph. If a hub agreement arbitration is requested, all of the following shall apply:
(A) The ADW provider shall be permitted to accept advance deposit wagers from California residents.
(B) The contractual compensation received by the ADW provider shall be the average of the contractual

compensation specified in the hub agreement that is the subject of the hub agreement arbitration and the contractual compensation set forth in the hub agreement arbitration notice.
(C) The difference between the contractual compensation specified in subparagraph (B) and the contractual compensation determined to be payable at the conclusion of the hub agreement arbitration shall be calculated and paid within 15 days following the arbitrator's decision and order. The hub agreement arbitration shall be held as promptly as possible, but in no event more than 60 days following the demand for that arbitration. The arbitrator shall issue a decision no later than 15 days following the conclusion of the arbitration. A single arbitrator jointly selected by the ADW provider and the party requesting a hub agreement arbitration shall conduct the hub agreement arbitration. However, if the parties cannot agree on the arbitrator within seven days of issuance of the written demand for arbitration, then the arbitrator shall be selected pursuant to the Streamlined Arbitration Rules and Procedures of the Judicial Arbitration and Mediation Services, or pursuant to the applicable rules of its successor organization. In making the hub agreement arbitration determination, the arbitrator shall be required to choose between the contractual compensation of the hub agreement agreed to by the ADW provider or whatever different terms for the hub agreement were proposed by the party requesting the hub agreement arbitration. The arbitrator shall select the set of terms that most accurately reflects the then-existing market rate of compensation for the services provided by the ADW provider based on all relevant facts and circumstances relating to California resident ADW wagering. The arbitrator shall not be permitted to impose new, different, or compromised terms to the hub agreement. If an arbitration is requested, either party may bring an action in state court to compel a party to go into arbitration, to review the arbitrator's decision, or to enforce the decision of the arbitrator. The cost of the hub agreement arbitration, including the cost of the arbitrator, shall be borne in equal shares by the parties to the hub agreement and the party or parties requesting a hub agreement arbitration. The hub agreement arbitration shall be administered by the Judicial Arbitration and Mediation Services pursuant to its Streamlined Arbitration Rules and Procedures or its successor organization.
(9) "Incentive awards" means those payments provided for in Sections 19617.2, 19617.7, 19617.8, 19617.9, and 19619. The amount determined to be payable for incentive awards under this section shall be payable to the applicable official registering agency and thereafter distributed as provided in this chapter.
(10) "Licensee" means a racing association or fair licensed to conduct a live racing meet in this state, or affiliation thereof, authorized under this section.
(11) "Market access fee" means the amount of advance deposit wagering handle remaining after the payment of winning wagers, and after the payment of contractual compensation, if any, to an ADW provider. Market access fees shall be distributed in accordance with subdivision (f).
(12) "Multijurisdictional wagering hub" means a business conducted in more than one jurisdiction that facilitates parimutuel wagering on races it simulcasts and other races it offers in its wagering menu.
(13) "Racing fair" means a fair authorized by the board to conduct live racing.
(14) "Zone" means the zone of the state, as defined in Section 19530.5, except as modified by subdivision (f) of Section 19601. For these purposes, the central and southern zones shall together be considered one zone.
(b) Wagers shall be accepted according to the procedures set forth in this subdivision.
(1) An ADW provider shall not accept wagers or wagering instructions on races conducted in California from a resident of California unless all of the following conditions are met:
(A) The ADW provider is licensed by the board.
(B) A written agreement allowing those wagers exists with the racing association or fair conducting the races on which the wagers are made.
(C) The agreement referenced in subparagraph (B) shall have been approved in writing by the horsemen's organization responsible for negotiating purse agreements for the breed on which the wagers are made in accordance with the federal Interstate Horseracing Act of 1978 (15 U.S.C. Sec. 3001 et seq.), regardless of the location of the ADW provider, whether in California or otherwise, including, without limitation, any and all requirements contained therein with respect to written consents and required written

agreements of horsemen's groups to the terms and conditions of the acceptance of those wagers and any arrangements as to the exclusivity between the host racing association or fair and the ADW provider. For purposes of this subdivision, the substantive provisions of the federal Interstate Horseracing Act of 1978 shall be taken into account without regard to whether, by its own terms, that act is applicable to advance deposit wagering on races conducted in California accepted from residents of California.
(2) An ADW provider shall not accept wagers or wagering instructions on races conducted outside of California from a resident of California unless all of the following conditions are met:
(A) The ADW provider is licensed by the board.
(B) There is a hub agreement between the ADW provider and one or both of (i) one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wager is placed, and (ii) the horsemen's organization responsible for negotiating purse agreements for the breed on which wagering is conducted.
(C) If the parties referenced in clauses (i) and (ii) of subparagraph (B) are both signatories to the hub agreement, then no party shall have the right to request a hub agreement arbitration.
(D) If only the party or parties referenced in clause (i) of subparagraph (B) is a signatory to the hub agreement, then the signatories to the hub agreement shall, within five days of execution of the hub agreement, provide a copy of the hub agreement to the horsemen's organization responsible for negotiating purse agreements for the breed on which wagering is conducted for each race conducted outside of California on which California residents may place advance deposit wagers. Before receipt of the hub agreement, the horsemen's organization shall sign a nondisclosure agreement with the ADW provider agreeing to hold confidential all terms of the hub agreement. If the horsemen's organization wants to request a hub agreement arbitration, it shall send written notice of its election to the signatories to the hub agreement within 10 days after receipt of the copy of the hub agreement, and shall provide its alternate proposal to the hub and host fees specified in the hub agreement with that written notice. If the horsemen's organization does not provide that written notice within the 10-day period, then no party shall have the right to request a hub agreement arbitration. If the horsemen's organization does provide that written notice within the 10-day period, then the ADW provider shall have 10 days to elect in writing to do one of the following:
(i) Abandon the hub agreement.
(ii) Accept the alternate proposal submitted by the horsemen's organization.
(iii) Proceed with a hub agreement arbitration.
(E) If only the party referenced in clause (ii) of subparagraph (B) is a signatory to the hub agreement, then the signatories to the hub agreement shall, within five days of execution of the hub agreement, provide written notice of the host and hub fees applicable pursuant to the hub agreement for each race conducted outside of California on which California residents may place advance deposit wagers, which notice shall be provided to all racing associations and fairs conducting live racing of the same breed covered by the hub agreement. If any racing association or fair wants to request a hub agreement arbitration, it shall send written notice of its election to the signatories to the hub agreement within 10 days after receipt of the notice of host and hub fees. It shall also provide its alternate proposal to the hub and host fees specified in the hub agreement with the notice of its election. If more than one racing association or fair provides notice of their request for hub agreement arbitration, those racing associations or fairs, or both, shall have a period of five days to jointly agree upon which of their alternate proposals shall be the official proposal for purposes of the hub agreement arbitration. If one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wager is placed does not provide written notice of their election to arbitrate within the 10-day period, then no party shall have the right to request a hub agreement arbitration. If a valid hub agreement arbitration request is made, then the ADW provider shall have 10 days to elect in writing to do one of the following:
(i) Abandon the hub agreement.
(ii) Accept the alternate proposal submitted by the racing associations or fairs.
(iii) Proceed with a hub agreement arbitration.

The results of a hub agreement arbitration elected pursuant to this subdivision shall be binding on all other associations and fairs conducting live racing of that breed.
(F) The acceptance thereof is in compliance with the provisions of the federal Interstate Horseracing Act of 1978 (15 U.S.C. Sec. 3001 et seq.), regardless of the location of the ADW provider, whether in California or otherwise, including, without limitation, any and all requirements contained therein with respect to written consents and required written agreements of horsemen's groups to the terms and conditions of the acceptance of the wagers and any arrangements as to the exclusivity between the host racing association or fair and the ADW provider.
(c) An advance deposit wager may be made only by the ADW provider holding the account pursuant to wagering instructions issued by the owner of the funds communicated by telephone call or through other electronic media. The ADW provider shall ensure the identification of the account's owner by using methods and technologies approved by the board. An ADW provider that accepts wagering instructions concerning races conducted in California, or accepts wagering instructions originating in California, shall provide a full accounting and verification of the source of the wagers thereby made, including the postal ZIP Code and breed of the source of the wagers, in the form of a daily download of parimutuel data to a database designated by the board. The daily download shall be delivered in a timely basis using file formats specified by the database designated by the board, and shall include any and all data necessary to calculate and distribute moneys according to the rules and regulations governing California parimutuel wagering. All reasonable costs associated with the creation, provision, and transfer of this data shall be borne by the ADW provider.
(d) (1) (A) The board shall develop and adopt rules to license and regulate all phases of operation of advance deposit wagering for ADW providers operating in California, including advance deposit wagering activity that takes place within a minisatellite wagering facility. The board may recover costs associated with the licensing or regulation of advance deposit wagering activities in a minisatellite wagering facility either directly from the ADW provider or through an appropriate increase in the funding formula devised by the board pursuant to paragraph (1) of subdivision (a) of Section 19616.51.
(B) The board shall not approve an application for an original or renewal license as an ADW provider unless the entity, if requested in writing by a bona fide labor organization no later than 90 days before licensing, has entered into a contractual agreement with that labor organization that provides all of the following:
(i) The labor organization has historically represented employees who accept or process any form of wagering at the nearest horse racing meeting located in California.
(ii) The agreement establishes the method by which the ADW provider will agree to recognize and bargain in good faith with a labor organization that has demonstrated majority status by submitting authorization cards signed by those employees who accept or process any form of wagering for which a California ADW license is required.
(iii) The agreement requires the ADW provider to maintain its neutrality concerning the choice of those employees who accept or process any form of wagering for which a California ADW license is required whether or not to authorize the labor organization to represent them with regard to wages, hours, and other terms and conditions of employment.
(iv) The agreement applies to those classifications of employees who accept or process wagers for which a California ADW license is required whether the facility is located within or outside of California.
(C) (i) The agreement required by subparagraph (B) shall not be conditioned by either party upon the other party agreeing to matters outside the requirements of subparagraph (B).
(ii) The requirement in subparagraph (B) shall not apply to an ADW provider that has entered into a collective bargaining agreement with a bona fide labor organization that is the exclusive bargaining representative of employees who accept or process parimutuel wagers on races for which an ADW license is required whether the facility is located within or outside of California.
(D) Permanent state or county employees and nonprofit organizations that have historically performed certain services at county, state, or district fairs may continue to provide those services.
(E) Parimutuel clerks employed by racing associations or fairs or employees of ADW providers who

accept or process any form of wagers who are laid off due to lack of work shall have preferential hiring rights for new positions with their employer in occupations whose duties include accepting or processing any form of wagers, or the operation, repair, service, or maintenance of equipment that accepts or processes any form of wagering at a racetrack, satellite wagering facility, or ADW provider licensed by the board. The preferential hiring rights established by this subdivision shall be conditioned upon the employee meeting the minimum qualification requirements of the new job.

(2) The board shall develop and adopt rules and regulations requiring ADW providers to establish security access policies and safeguards, including, but not limited to, the following:

(A) The ADW provider shall use board-approved methods to perform location and age verification confirmation with respect to persons establishing an advance deposit wagering account.

(B) The ADW provider shall use personal identification numbers (PINs) or other technologies to ensure that only the accountholder has access to the advance deposit wagering account.

(C) The ADW provider shall provide for withdrawals from the wagering account only by means of a check made payable to the accountholder and sent to the address of the accountholder or by means of an electronic transfer to an account held by the verified accountholder or the accountholder may withdraw funds from the wagering account at a facility approved by the board by presenting verifiable account identification information.

(D) The ADW provider shall allow the board access to its premises to visit, investigate, audit, and place expert accountants and other persons it deems necessary for the purpose of ensuring that its rules and regulations concerning credit authorization, account access, and other security provisions are strictly complied with. To ensure that the amounts retained from the parimutuel handle are distributed under law, rules, or agreements, any ADW provider that accepts wagering instructions concerning races conducted in California or accepts wagering instructions originating in California shall provide an independent “agreed-upon procedures” audit for each California racing meeting, within 60 days of the conclusion of the race meeting. The auditing firm to be used and the content and scope of the audit, including host fee obligations, shall be set forth in the applicable agreement. The ADW provider shall provide the board, horsemen’s organizations, and the host racing association with an annual parimutuel audit of the financial transactions of the ADW provider with respect to wagers authorized pursuant to this section, prepared in accordance with generally accepted auditing standards and the requirements of the board. Any and all reasonable costs associated with those audits shall be borne by the ADW provider.

(3) The board shall prohibit advance deposit wagering advertising that it determines to be deceptive to the public. The board shall also require, by regulation, that every form of advertising contain a statement that minors are not allowed to open or have access to advance deposit wagering accounts.

(e) In order for a licensee, betting system, or multijurisdictional wagering hub to be approved by the board as an ADW provider, it shall meet both of the following requirements:

(1) All wagers thereby made shall be included in the appropriate parimutuel pool under a contractual agreement with the applicable host track.

(2) The amounts deducted from advance deposit wagers shall be in accordance with the provisions of this chapter.

(f) After the payment of contractual compensation, the amounts received as market access fees from advance deposit wagers, which shall not be considered for purposes of Section 19616.51, shall be distributed as follows:

(1) An amount equal to 0.0011 multiplied by the amount handled on advance deposit wagers originating in California for each racing meeting shall be distributed to the Center for Equine Health to establish the Kenneth L. Maddy Fund for the benefit of the School of Veterinary Medicine at the University of California at Davis.

(2) An amount equal to 0.0003 multiplied by the amount handled on advance deposit wagers originating in California for each racing meeting shall be distributed to the Public Employment Relations Board to cover costs associated with audits conducted pursuant to Section 19526 and for purposes of reimbursing the State Mediation and Conciliation Service for costs incurred pursuant to this section. However, if that amount would exceed the costs of the Public Employment Relations Board, the amount distributed to

that board shall be reduced, and that reduction shall be forwarded to an organization designated by the racing association or fair described in subdivision (a) for the purpose of augmenting a compulsive gambling prevention program specifically addressing that problem.
(3) An amount equal to 0.00165 multiplied by the amount handled on advance deposit wagers that originate in California for each racing meeting shall be distributed as follows:
(A) One-half of the amount shall be distributed to supplement the trainer-administered pension plans for backstretch personnel established pursuant to Section 19613. Moneys distributed pursuant to this subparagraph shall supplement, and not supplant, moneys distributed to that fund pursuant to Section 19613 or any other provision of law.
(B) One-half of the amount shall be distributed to the welfare fund established for the benefit of horsemen and backstretch personnel pursuant to subdivision (b) of Section 19641. Moneys distributed pursuant to this subparagraph shall supplement, and not supplant, moneys distributed to that fund pursuant to Section 19641 or any other provision of law.
(4) With respect to wagers on each breed of racing that originate in California, an amount equal to 2 percent of the first two hundred fifty million dollars ($250,000,000) of handle from all advance deposit wagers originating from within California annually, an amount equal to 1.5 percent of the next two hundred fifty million dollars ($250,000,000) of handle from all advance deposit wagers originating from within California annually, an amount equal to 1 percent of the next two hundred fifty million dollars ($250,000,000) of handle from all advance deposit wagers originating from within California annually, and an amount equal to 0.50 percent of handle from all advance deposit wagers originating from within California in excess of seven hundred fifty million dollars ($750,000,000) annually, shall be distributed as satellite wagering commissions. Satellite wagering facilities that were not operational in 2001, other than one each in the Cities of Inglewood and San Mateo, and two additional facilities each operated by the Alameda County Fair and the Los Angeles County Fair and their partners and other than existing facilities that are relocated, are not eligible for satellite wagering commission distributions under this section. The satellite wagering facility commissions calculated in accordance with this subdivision shall be distributed to each satellite wagering facility and racing association or fair in the zone in which the wager originated in the same relative proportions that the satellite wagering facility or the racing association or fair generated satellite commissions during the previous calendar year. If there is a reduction in the satellite wagering commissions pursuant to this section, the benefits therefrom shall be distributed equitably as purses and commissions to all associations and racing fairs generating advance deposit wagers in proportion to the handle generated by those associations and racing fairs. If a satellite wagering facility is permanently closed other than for renovation or remodeling, or if a satellite wagering facility is unwilling or unable to accept all of the signals that are available to that facility, the commissions otherwise provided for in this subdivision that would be payable to that facility shall be proportionately reduced to take into account the time that satellite wagering is no longer conducted by that facility, or the payment of those commissions shall be eliminated entirely if the facility is permanently closed, and, in either case, the satellite wagering commissions not paid shall be proportionately redistributed to the other eligible satellite wagering facilities. For purposes of this section, the purse funds distributed pursuant to Section 19605.72 shall be considered to be satellite wagering facility commissions attributable to thoroughbred races at the locations described in that section.
(5) After the distribution of the amounts set forth in paragraphs (1) to (4), inclusive, the remaining market access fees from advance deposit wagers originating in California shall be as follows:
(A) With respect to wagers on each breed of racing, the amount remaining shall be distributed to the racing association or fair that is conducting live racing of that breed during the calendar period in the zone in which the wager originated. That amount shall be allocated to that racing association or fair as commissions, to horsemen participating in that racing meeting in the form of purses, and as incentive awards, in the same relative proportion as they were generated or earned during the prior calendar year at that racing association or fair on races conducted or imported by that racing association or fair after making all deductions required by applicable law. Notwithstanding any other law, the distributions with respect to each breed of racing set forth in this subparagraph may be altered upon the approval of the

board, in accordance with an agreement signed by the respective associations, fairs, horsemen's organizations, and breeders organizations receiving those distributions.
(B) If the provisions of Section 19601.2 apply, then the amount distributed to the applicable racing associations or fairs shall first be divided between those racing associations or fairs in direct proportion to the total amount wagered in the applicable zone on the live races conducted by the respective association or fair. Notwithstanding this requirement, when the provisions of subdivision (b) of Section 19607.5 apply to the 2nd District Agricultural Association in Stockton or the California Exposition and State Fair in Sacramento, then the total amount distributed to the applicable racing associations or fairs shall first be divided equally, with 50 percent distributed to applicable fairs and 50 percent distributed to applicable associations.
(C) Notwithstanding any provisions of this section to the contrary, with respect to wagers on out-of-state and out-of-country thoroughbred races conducted after 6 p.m., Pacific standard time, 50 percent of the amount remaining shall be distributed as commissions to thoroughbred associations and racing fairs, as thoroughbred and fair purses, and as incentive awards in accordance with subparagraph (A), and the remaining 50 percent, together with the total amount remaining from advance deposit wagering originating from California out-of-state and out-of-country harness and quarter horse races conducted after 6 p.m., Pacific standard time, shall be distributed as commissions on a pro rata basis to the applicable licensed quarter horse association and the applicable licensed harness association, based upon the amount handled in state, both on- and off-track, on each breed's own live races in the previous year by that association, or its predecessor association. One-half of the amount thereby received by each association shall be retained by that association as a commission, and the other one-half of the money received shall be distributed as purses to the horsemen participating in its current or next scheduled licensed racing meeting.
(D) Notwithstanding any provisions of this section to the contrary, with respect to wagers on out-of-state and out-of-country nonthoroughbred races conducted before 6 p.m., Pacific standard time, 50 percent of the amount remaining shall be distributed as commissions as provided in subparagraph (C) for licensed quarter horse and harness associations, and the remaining 50 percent shall be distributed as commissions to the applicable thoroughbred associations or fairs, as thoroughbred and fair purses, and as incentive awards in accordance with subparagraph (A).
(E) Notwithstanding any provision of this section to the contrary, the distribution of market access fees pursuant to this subparagraph may be altered upon the approval of the board, in accordance with an agreement signed by all parties whose distributions would be affected.
(g) A racing association, a fair, a satellite wagering facility, or a minisatellite wagering facility may enter into an agreement with an ADW provider to accept and facilitate the placement of any wager from a patron at its facility that a California resident could make through that ADW provider. Deductions from wagers made pursuant to this agreement shall be distributed in accordance with the provisions of this chapter governing wagers placed at that facility, except that the board may authorize alternative distributions as agreed to by the ADW provider, the operator of the facility accepting the wager, the association or fair conducting that breed of racing in the zone where the wager is placed, and the respective horsemen's organization.
(h) Any issue concerning the interpretation or application of this section shall be resolved by the board.
(i) Amounts distributed under this section shall be proportionally reduced by an amount equal to 0.00295 multiplied by the amount handled on advance deposit wagers originating in California for each racing meeting, except for harness racing meetings, provided that the amount of this reduction shall not exceed two million dollars ($2,000,000). The method used to calculate the reduction in proportionate share shall be approved by the board. The amount deducted shall be distributed as follows:
(1) (A) Fifty percent of the money to the board to establish, and to administer jointly with the organization certified as the majority representative of California-licensed jockeys pursuant to Section 19612.9, a defined contribution retirement plan for California-licensed jockeys who retired from racing on or after January 1, 2009.
(B) A person becomes a participant in the retirement plan when the person is licensed as a jockey in

California.
(2) The remaining 50 percent of the money shall be distributed as follows:
(A) Seventy percent shall be distributed to supplement the trainer-administered pension plans for backstretch personnel established pursuant to Section 19613. Moneys distributed pursuant to this subparagraph shall supplement, and not supplant, moneys distributed to that fund pursuant to Section 19613 or any other provision of law.
(B) Thirty percent shall be distributed to the welfare fund established for the benefit of horsemen and backstretch personnel pursuant to subdivision (b) of Section 19641. Moneys distributed pursuant to this subparagraph shall supplement, and not supplant, moneys distributed to that fund pursuant to Section 19641 or any other provision of law.
(j) Amounts distributed under this section shall be proportionally reduced by an amount equal to 0.00295 multiplied by the amount handled on advance deposit wagers originating in California for each harness racing meeting, provided that the amount of this reduction shall not exceed five hundred thousand dollars ($500,000). The method used to calculate the reduction in proportionate share shall be approved by the board. The amount deducted shall be distributed as follows:
(1) First to the welfare fund established for the benefit of horsemen and backstretch personnel, pursuant to subdivision (b) of Section 19641, and administered by the organization representing the horsemen participating in the race meeting, in the amount requested by the welfare fund. Moneys distributed pursuant to this paragraph shall supplement, and not supplant, moneys distributed to that fund pursuant to Section 19641 or any other provision of law.
(2) The amount remaining, if any, shall be utilized for the benefit of the horsemen as specified in a written agreement between the racing association that conducts the live harness race meeting and the organization representing the horsemen participating in the race meeting.
(k) Notwithstanding subdivision (j), amounts generated that were deducted from amounts handled on advance deposit wagering for harness racing meetings pursuant to subdivision (i), as that section read before the enactment of subdivision (j), that have been held in trust by the California Exposition and State Fair shall be distributed as follows:
(1) Fifty percent to the harness racing horsemen who participated in the racing meeting that concluded June 16, 2012, in the form of purses.
(2) Fifty percent to the California Exposition and State Fair in the form of commissions.

Article 9.2. Satellite Wagering

19605.
(a) Notwithstanding any other law, the board may authorize an association licensed to conduct a racing meeting in the northern zone to operate a satellite wagering facility for wagering on races conducted in the northern zone at its racetrack inclosure subject to all of the conditions specified in Section 19605.3, and may authorize an association licensed to conduct a racing meeting in the central or southern zone to operate a satellite wagering facility for wagering on races conducted in the central or southern zone at its racetrack inclosure subject to the conditions specified in subdivisions (a) to (e), inclusive, of Section 19605.3 and the conditions and limitations set forth in Section 19605.6.
(b) Notwithstanding any other law, no satellite wagering facility, except a facility that is located at a track where live racing is conducted, shall be located within 20 miles of any existing satellite wagering facility or of any track where a racing association conducts a live racing meeting. However, in the northern zone, a racing association or any existing satellite wagering facility may waive the prohibition contained in this subdivision and may consent to the location of another satellite wagering facility within 20 miles of the facility or track.
(c) Notwithstanding subdivision (b), the Department of Food and Agriculture may approve not more than three satellite wagering facilities that are licensed jointly to the 1a District Agricultural Association and the 5th District Agricultural Association and that are located on the fairgrounds of the 1a District Agricultural

Association or within the boundaries of the City and County of San Francisco. Before a satellite wagering facility may be licensed for the 1997 and subsequent calendar years under this subdivision, the department shall conduct a one-year test at the proposed site in order to determine the impact of the proposed facility on total state parimutuel revenues and on attendance and wagering at existing racetracks and fair satellite wagering facilities in the Counties of Alameda, San Mateo, Santa Clara, and Solano. Notwithstanding Section 19605.1, a satellite wagering facility may be located on property leased to one or both fairs. Notwithstanding any other law, the fairs may contract for the operation and management of a satellite wagering facility with an individual racing association or a partnership, joint venture, or other affiliation of two or more racing associations or fairs that are licensed to conduct thoroughbred meetings or simulcast wagering within the northern zone.
(d) Subdivision (b) shall not be construed to prohibit the location of satellite wagering facilities within 20 miles of any existing or proposed satellite facility established pursuant to subdivision (c).

19605.1.
With respect to the northern zone, the board may, with the approval of the Department of Food and Agriculture, also authorize any fair, in the northern zone that is eligible for an allocation of racing days pursuant to Section 19549, but which is not licensed to conduct a racing meeting or authorized pursuant to Section 19605.6, to locate a satellite wagering facility at its fairgrounds for wagering on races conducted in the northern zone if all of the conditions specified in Section 19605.3 are satisfied.

19605.2.
With respect to the central and southern zones, the board may, with the approval of the Department of Food and Agriculture, subject to the conditions and limitations set forth in Section 19605.6, also authorize any fair, which conducted general fair activities in 1986 within the central or southern zone, and which is eligible for an allocation of racing days pursuant to Section 19549, but which is not licensed to conduct a racing meeting, to locate a satellite wagering facility at its fairgrounds for wagering on races conducted in the central or southern zone if all of the conditions specified in subdivisions (a) to (e), inclusive, of Section 19605.3 are satisfied.

19605.25.
(a) The California Horse Racing Board may approve an additional 15 minisatellite wagering sites in each zone, if all of the following conditions are met:
(1) No site is within 20 miles of a racetrack, a satellite wagering facility, or a tribal casino that has a satellite wagering facility. If the proposed facility is within 20 miles of one of the above-referenced satellite facilities, then the consent of each facility within a 20-mile radius must be given before the proposed facility may be approved by the board.
(2) An agreement in accordance with subdivision (a) of Section 19605.3 has been executed and approved by the board. In addition to the requirements set forth in that provision, the agreement shall specify which components of its racing program, including live, out-of-zone, out-of-state, and out-of-country races, an association or fair will make available to the site. The terms and condition of the agreement, including all fees payable pursuant to paragraph (3) of that provision, a portion of which may be paid to horsemen in the form of purses, shall be subject to the approval of the horsemen's organization responsible for negotiating purse agreements with the association or fair.
(3) The site is approved by the board.
(4) The wagers are accepted in an area that is accessible only to those who are at least 21 years of age.
(5) The board has approved the accommodation, equipment used in conducting wagering at the site, communications system, technology, and method used by the site to accept wagers and transmit odds, results, and other data related to wagering.
(b) Parimutuel clerks shall be available to service the self-service tote machines at these locations, and to cash wagering vouchers on a regularly scheduled basis.

(c) Until January 1, 2013, if the proposed minisatellite wagering site is in the northern zone in a fair district where the fair has operated a satellite wagering facility for the previous five years, the approval of the fair must be obtained even if the proposed location is more than 20 miles from the existing satellite wagering facility operated by the fair.
(d) For purposes of commissions, deductions, and distribution of handle, wagers placed at minisatellite sites shall be treated as if they were placed at satellite wagering facilities authorized under Section 19605, 19605.1, or 19605.2. Section 19608.4 shall apply to minisatellite wagering facilities.
(e) The written consent of the San Mateo County Fair shall be obtained prior to the approval of any minisatellite wagering site located within a 20-mile radius of its fairground.
(f) Minisatellite wagering facilities created pursuant to this section are not eligible for satellite wagering commission distributions pursuant to Section 19604.
(g) The board, in adopting regulations to implement this section, shall minimize the expense to both the operator of the minisatellite facility and the host racetrack.
(h) If there are more than 15 applications for minisatellite wagering facilities in any zone, the board shall determine which facilities will generate the largest handle, and give priority to the approval of those facilities. The board shall license a minisatellite facility for up to five years, and then review the operation and the size of the handle, and determine if it is in the best interest of horse racing to relicense the facility or, in the alternative, license another minisatellite facility that might generate a greater handle.
(i) Except as may be provided in the agreement required pursuant to paragraph (2) of subdivision (a), no association or fair shall be required to make all or part of its racing program available to a minisatellite wagering facility. Notwithstanding subdivision (e) of Section 19608.2, all costs incurred by the organization executing that agreement in excess of the amounts distributable to the organization from wagers placed at the site on that racing program, shall be borne by the minisatellite wagering facility.

19605.3.
(a) An organization described in Section 19608.2 has executed an agreement approved by the board with the association conducting a racing meeting and the satellite wagering facility. The agreement shall provide, among other things, for all of the following:
(1) The conditions for transmission of the signal.
(2) That the wagers made at the satellite wagering facility will be included in the appropriate conventional or exotic pool at the racetrack where the racing meeting is conducted.
(3) The agreement of the parties, if any, respecting the payment of fees or charges by one party to the other in substitution of, or in addition or supplemental to, the distributions of the amount deducted pursuant to the first paragraph of either Section 19605.7 or Section 19605.71. The agreement as to the payment of those fees or charges shall not operate to increase or reduce the amounts otherwise payable from the amount handled pursuant to this article, other than to a party to the agreement. Any dispute relating to the amount of fees or charges to be paid by any party as a condition of receiving the live audiovisual signal from an association or fair may be appealed to the board. However, nothing in this paragraph shall be construed to require an association or fair to execute an agreement.
(b) The accommodations and equipment used in conducting wagering at the satellite wagering facility and their location have been approved by the board.
(c) The communications system, technology and method used by the satellite wagering facility to accept wagers and transmit odds, results, and other data related to wagering has been approved by the board.
(d)(1) Any association or fair that operates a satellite wagering facility shall conduct wagering on all racing that is offered to the satellite wagering facility, except as otherwise provided in Section 19607.5 with respect to the northern zone, as long as the satellite wagering facility is not sustaining a loss on either a day meeting or night meeting, as determined by the board, and, if sustaining a loss on either a day meeting or night meeting, as long as the satellite wagering facility is reimbursed for that loss by either an organization described in Section 19608.2 or an association. Any association that operates a satellite wagering facility may, but is not required to, accept an audiovisual signal. Notwithstanding any other provision of this paragraph, an association that conducts a racing meeting and a fair that operates a

satellite wagering facility may agree to provide an audiovisual signal and to accept wagering on less than all of the races. Acceptance of the audiovisual signal may be on such terms and conditions, including the payment of fees and charges, subject to paragraph (3) of subdivision (a), as the parties may mutually agree.
(2) In calculating the loss, if any, for operating a satellite wagering facility for a night meeting, only the expenses incurred by the satellite wagering facility because of the acceptance of night wagers shall be considered, and no overhead expenses or expenses of the satellite wagering facility which would be incurred regardless of the acceptance of night wagers shall be considered.
(e) Notwithstanding any other law or any agreement under subdivision (a), for purposes of determining license fees and breakage at the racetrack where the racing meeting is conducted, wagers at a satellite wagering facility shall not be included in the conventional or exotic pools of the association conducting the racing meeting.
(f) The horsemen's organization that represents the horsemen at the association that conducts the racing meeting on which wagers are accepted consents to the acceptance of wagers at the satellite wagering facility, except that the association or fair operating the satellite wagering facility may appeal the withholding of consent to the board that may determine that consent is not required.

19605.35.
(a) Notwithstanding paragraph (3) of subdivision (a) of Section 19605.3, no fee or charge authorized under that paragraph shall be paid by the operator of a satellite wagering facility that was licensed in the northern zone at any time prior to January 1, 2000. Notwithstanding any other provision of law, total on-track license fees applicable to all wagers made within the inclosure of associations conducting thoroughbred racing meetings in the northern zone, including wagers on out-of-zone, out-of- state, and out-of-country races, shall be reduced by 0.3 percent. In addition, the total on-track license fees applicable to all wagers made within the inclosures of associations conducting thoroughbred racing meetings in the Counties of Alameda and San Mateo shall, beginning on January 1, 2001, and each year thereafter, be further reduced by an additional sum equal to the amount of impact fees respectively received by each association from the Santa Clara County Fair during the 2000 calendar year. The reduction in license fees provided by this section shall be distributed solely to the association in the form of commissions. All other distributions from handle shall be as provided elsewhere in this chapter.
(b)Not withstanding paragraph (3) of subdivision (a) of Section 19605.3, no fee or charge authorized under that paragraph shall be paid by the operator of a satellite wagering facility that was also licensed at any time during the prior year to conduct a live thoroughbred or quarter horse racing meeting in the central or southern zones or a live fair racing meeting in Los Angeles County. Notwithstanding any other provision of law, on-track license fees applicable to all wagers made within the inclosure of an association conducting a thoroughbred meet in the central or southern zones, including wagers on out-of-zone, out-of-state, and out-of-country races, shall be reduced by 0.15 percent. The reduction in license fees provided by this section shall be distributed solely to the association in the form of commissions. All other distributions from handle shall be as provided elsewhere in this chapter.
(c) It is, and always has been, the intent of the Legislature that this section apply to impact fees charged by a thoroughbred racing association or a thoroughbred fair racing association in the northern zone, on satellite wagers accepted by satellite facilities operated by those associations.

19605.4.
(a) Notwithstanding Section 19605.3, the live audiovisual signal of night harness, quarter horse, Appaloosa, or Arabian races in the central or southern zone may be offered to satellite wagering facilities in the northern zone and the signal of those races in the northern zone may be offered to satellite wagering facilities in the central or southern zone. Racing associations may agree to accept that audiovisual signal. However, satellite wagering facilities located at fairs shall not be required pursuant to that agreement to accept more than five night racing programs per week.

(b) (1) With respect to the live audiovisual signal of night harness, quarter horse, Appaloosa, or Arabian racing, any association or fair that operates a satellite wagering facility shall conduct wagering on all racing that is offered to the satellite wagering facility, as long as the satellite wagering facility is not sustaining a loss on a night meeting, as determined by the board, and if sustaining a loss on a night meeting, as long as the satellite wagering facility is reimbursed for that loss by either an organization described in Section 19608.2 or an association. Any association that operates a satellite wagering facility may, but is not required to, accept an audiovisual signal. Notwithstanding any other provision of this paragraph, an association that conducts a racing meeting and a fair that operates a satellite wagering facility may agree to provide an audiovisual signal and to accept wagering on less than all of the races.
(2) In calculating the loss, if any, for operating a satellite wagering facility for a night meeting, only the expenses incurred by the satellite wagering facility because of the acceptance of night wagers shall be considered, and no overhead expenses or expenses of the satellite wagering facility that would be incurred regardless of the acceptance of night wagers shall be considered.

19605.45.
(a) Notwithstanding Section 19605, 19605.1, 19605.35, or any other provision of this chapter, if the racing association licensed in the year 2002 to conduct thoroughbred race meetings in San Mateo County is not licensed to conduct a horse racing meeting in that county in any subsequent year, the board may authorize satellite wagering in San Mateo County only as provided in this section:
(1) The board may authorize a satellite wagering facility to be located either on the fairgrounds of the San Mateo County Fair or on leased premises within the City of San Mateo. The facility may be operated by the fair or the fair may contract for the operation and management of that satellite wagering facility with an individual racing association or fair, or a partner- ship, joint venture, or other affiliation of two or more racing associations or fairs. The board may license a facility to the San Mateo County Fair pursuant to this section notwithstanding the mileage restrictions contained in Section 19605 or any other provision of this chapter to the contrary.
(2) Satellite wagering facilities licensed to the fair pursuant to this section are subject to the provisions of subdivisions (a) to (e), inclusive, of Section 19605.3, except that they shall not be subject to the provisions of paragraph (3) of subdivision (a) of Section 19605.3 or any other impact fee or charge.
(3) Distributions pursuant to subdivision (d) of Section 19605.7, and Sections 19610.3 and 19610.4 made by a satellite wagering facility licensed to the fair pursuant to this section shall be to the same beneficiary that received those distributions in the year 2002 from the San Mateo County Fair and the racing association licensed in the year 2002 to conduct thoroughbred race meetings in San Mateo County.

19605.46.
Notwithstanding subdivision (a) of Section 19605, and Section 19605.1, the Alameda County Fair may, with the approval of the Department of Food and Agriculture, the authorization of the board, and subject to the conditions set forth in Section 19605.3, operate two additional satellite wagering facilities within the boundaries of the fair district. However, any facility situated in the City of Oakland shall be sited only with the concurrence of the racing association in Alameda County. The racing association in Alameda County shall have the opportunity to invest in the ownership and operation of any satellite wagering facility situated in the City of Oakland or within 20 miles of the racing association’s racetrack in Alameda County.

19605.47.
The Los Angeles County Fair may conduct satellite wagering at an additional location, situated not more than 20 miles from its fair- grounds, with the approval of the board. If the additional satellite wagering facility is within 20 miles of another racetrack, the consent of that racetrack or those racetracks shall be received as a condition precedent to approval by the board.

19605.51.
Notwithstanding subdivision (a) of Section 19605, and Section 19605.1, any fair that operated a satellite wagering facility on July 1, 2007 may, with the approval of the Department of Food and Agriculture and the authorization of the board, subject to the conditions specified in Section 19605.3, operate a satellite wagering facility on leased premises within the boundaries of that fair. Any fair that did not operate a satellite wagering facility on July 1, 2007, may, subject to Sections 19605 and 19605.1, operate one satellite wagering facility either on the property of the fairgrounds, or on leased premises.

19605.52.
Notwithstanding subdivision (a) of Section 19605, and Section 19605.1, any fair in the Counties of Kern, Shasta, or Stanislaus may, with the approval of the Department of Food and Agriculture and the authorization of the board, subject to the conditions specified in Section 19605.3, operate one satellite wagering facility within the boundaries of that fair.

19605.53.
(a) Notwithstanding subdivision (a) of Section 19605, and Section 19605.1, in lieu of a satellite wagering facility that could otherwise be authorized by the board to the Sacramento County Fair, the California Exposition and State Fair may, with the approval of the Department of Food and Agriculture and the authorization of the board, subject to the conditions specified in Section 19605.3, operate one satellite wagering facility within the boundaries of that fair in addition to any satellite wagering facility authorized at its fairgrounds under those provisions.
(b) A satellite wagering facility authorized pursuant to subdivision (a) may be operated by agreement between the California Exposition and State Fair and an entity described in Section 19604, pursuant to the provisions of that section.

19605.54.
Any racetrack in the central zone that conducted racing in 2007 but that has since closed may continue to conduct satellite wagering. If the racetrack site is no longer available for use as a satellite wagering facility, then the owner of the racetrack may conduct satellite racing at another location within that city, subject to approval by the board. If the owners of the racetrack which last conducted racing at that facility determine that they do not wish to operate a satellite wagering facility, then any other racetrack conducting racing in that zone may instead be authorized to open a satellite wagering facility. If there is no other racing association that wishes to operate a satellite wagering facility in that city, then any other person or entity may seek the approval of the board to operate a satellite wagering facility in that city. The board, prior to granting its approval, shall conduct a hearing on the issue, and afford parties the opportunity to be heard.

19605.55.
(a) Notwithstanding Section 19605, 19605.1, 19605.35, or any other provision of this chapter, if the Solano County Fair ceases to conduct live horse racing at the site of its 2002 racing meeting in any subsequent year, the board may authorize satellite wagering in Solano County as provided in this section:
(1) The board may authorize a satellite wagering facility to replace its existing facility to be located on the fairgrounds of the Solano County Fair or on leased premises within the county, at the option of the fair. The facility may be operated by the fair or the fair may contract for the operation and management of the satellite wagering facility with an individual thoroughbred racing association or fair, or a partnership, joint venture, or other affiliation of one or more thoroughbred racing associations or fairs. The board may license a facility to the Solano County Fair pursuant to this section notwithstanding the mileage restrictions contained in Section 19605 or any other provision of this chapter to the contrary.
(2) A satellite wagering facility licensed to the fair pursuant to this section is subject to the provisions of subdivisions (a) to (e), inclusive, of Section 19605.3, except that such a facility shall not be subject to the

provisions of paragraph (3) of subdivision (a) of Section 19605.3 or any other impact fee or charge.

19605.6.
(a) In addition to satellite wagering facilities authorized pursuant to Sections 19605, 19605.1, and 19605.2, the board, with the approval of the Department of Food and Agriculture, may authorize any fair, in the County of Kern or Santa Barbara, eligible for an allocation of racing days pursuant to Section 19549, to operate a satellite wagering facility at its fairgrounds even though the fair is not licensed to conduct a racing meeting, and the fair may operate the facilities except for those functions to be performed by an organization described in Section 19608.2. Except as otherwise provided in this section, Sections 19605, 19605.3, 19605.4, 19605.7, 19605.71, 19605.8, 19606, 19606.1, 19606.3, and 19606.4 apply to satellite wagering facilities authorized pursuant to this section.
(b) It is the intent of the Legislature that the board provide, when feasible, for periods of at least 10 minutes between post times for live races conducted within California.

19605.61.
(a) Notwithstanding any other provision of law, if the live racing or the audiovisual signals of any licensed association or fair in this state are disrupted or interrupted so as to cause the cessation of the live racing or audiovisual signals and the cause is a natural disaster outside the control of the association or fair conducting the racing or satellite wagering, as determined by the executive director of the board, the executive director may, at the request of the licensed association or fair and the organization representing horsemen at the race meeting, temporarily authorize the conduct of satellite wagering, including the transmission and reception of audiovisual signals, from any zone in the state or from any location outside this state. However, audiovisual signals emanating from within the state shall have preference over audiovisual signals from locations outside this state, and any transmission shall be subject to the conditions specified in subdivisions (a) to (e), inclusive, of Section 19605.3.
(b) As used in this section, “natural disaster” means fire, flood, storm, epidemic, riot, or earthquake.
19605.7.
The total percentage deducted from wagers at satellite wagering facilities in the northern zone shall be the same as the deductions for wagers at the racetrack where the racing meeting is being conducted and shall be distributed as set forth in this section. Amounts deducted under this section shall be distributed as follows:
(a)(1) For thoroughbred meetings, 1.3 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to the racing association for payment to the state as a license fee, 2 percent shall be distributed to the satellite wagering facility as a commission for the right to do business, as a franchise, and this commission is not for the use of any real property, 0.54 percent shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2 and shall thereafter be distributed in accordance with subdivisions (b), (c) and (d) of Section 19617.2, 0.033 percent shall be distributed to the Center for Equine Health, and 0.067 percent shall be distributed to the California Animal Health and Food Safety Laboratory, School of Veterinary Medicine, University of California at Davis. It is the intent of the Legislature that the 0.033 percent of funds distributed to the Center for Equine Health shall supplement, and not supplant, other funding sources.
(2) (A) In addition to the distributions specified in paragraph (1), for thoroughbred meetings, an amount not to exceed 4 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to an organization described in Section 19608.2 with the mutual consent of the racing association, the organization representing the horsemen participating in the meeting, and the board from January 1, 2010, until December 31, 2016. However, the amount shall be no less than that specified in subparagraph (B), and any amount greater than the amount specified in subparagraph (B) shall be approved by the board for no more than 12 months at a time, and only upon a determination by the board that the greater amount is in the economic interest of thoroughbred racing.
(B) Commencing January 1, 2017, an amount not to exceed the amount of actual operating expenses,

as determined by the board, or 2.5 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers, whichever is less, shall be distributed to an organization described in Section 19608.2.
(C) A request to the board for a distribution pursuant to subparagraph (A) shall be accompanied by a report detailing all receipts and expenditures
over the two prior fiscal years of the funds affected by the request.
(D) The racing association whose request pursuant to subparagraph (A) has been approved by the board shall provide subsequent quarterly reports of receipts and expenditures of the affected funds if requested by the board.
(b) For harness, quarter horse, Appaloosa, Arabian, or mixed breed meetings, 0.4 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to the racing association for payment to the state as a license fee, for fair meetings, 1 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to the fair association for payment to the state as a license fee, 2 percent shall be distributed to the satellite wagering facility as a commission for the right to do business, as a franchise, and this commission is not for the use of any real property, and 6 percent of the amount handled by the satellite wagering facility or the amount of actual operating expenses, as determined by the board, whichever is less, shall be distributed to an organization described in Section 19608.2. In addition, in the case of quarter horses, 0.4 percent shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7; in the case of Appaloosas, 0.4 percent shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9; in the case of Arabians, 0.4 percent shall be held by the association to be deposited with the official registering agency pursuant to Section 19617.8, and shall thereafter be distributed in accordance with Section 19617.8; in the case of standardbreds, 0.4 percent shall be distributed for the California Standardbred Sires Stakes Program pursuant to Section 19619; in the case of thoroughbreds, 0.48 percent shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2 and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2; 0.033 percent shall be distributed to the Center for Equine Health; and 0.067 percent shall be distributed to the California Animal Health and Food Safety Laboratory, School of Veterinary Medicine, University of California at Davis. It is the intent of the Legislature that the 0.033 percent of funds distributed to the Center for Equine Health shall supplement, and not supplant, other funding sources.
(c) In addition to the distributions specified in subdivisions (a) and (b), for mixed breed meetings, 1 percent of the total amount handled by each satellite wagering facility shall be distributed to an organization described in Section 19608.2 for promotion of the program at satellite wagering facili- ties. For harness meetings, 0.5 percent of the total amount handled by each satellite wagering facility shall be distributed to an organization described in Section 19608.2 for the promotion of the program at satellite wagering facilities, and 0.5 percent of the total amount handled by each satellite wagering facility shall be distributed according to a written agreement for each race meeting between the licensed racing association and the organization representing the horsemen participating in the meeting. If, with respect to harness meetings, there are funds unexpended from this 1 percent, these funds may be expended for other purposes with the consent of the horsemen and the racing association to benefit the horsemen, or the racing association, or both, pursuant to their agreement. For quarter horse meetings, 0.5 percent of the total amount handled by each satellite wagering facility on races run in California shall be distributed to an organization described in Section 19608.2 for the promotion of the program at satellite wagering facilities, 0.5 percent of the total amount handled by each satellite wagering facility on out-of-state and out-of-country imported races shall be distributed to the official quarter horse registering agency for the purposes of Section 19617.75, and 0.5 percent of the total amount handled by each satellite wagering facility on all races shall be distributed according to a written agreement for each race meeting between the licensed racing association and the organization representing the horsemen participating in the meeting.

(d) Additionally, for thoroughbred, harness, quarter horse, mixed breed, and fair meetings, 0.33 percent of the total amount handled by each satellite wagering facility shall be paid to the city or county in which the satellite wagering facility is located pursuant to Section 19610.3 or 19610.4.
(e) Notwithstanding any other law, a racing association is responsible for the payment of the state license fee as required by this section.

19605.71.
The total percentage deducted from wagers at satellite wagering facilities in the central and southern zones shall be the same as the percentage deducted from wagers at the racetrack where the racing meeting is being conducted and shall be distributed as set forth in this section. Amounts deducted by a satellite wagering facility under this section shall be distributed as follows:
(a)(1) For thoroughbred meetings, 2 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to the racing association for payment to the state as a license fee, 2 percent shall be distributed to the satellite wagering facility as a commission for the right to do business, as a franchise, and this commission is not for the use of any real property, 0.54 percent shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2 and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2, 0.033 percent shall be distributed to the Center for Equine Health, and 0.067 percent shall be distributed to the California Animal Health and Food Safety Laboratory, School of Veterinary Medicine, University of California at Davis. It is the intent of the Legislature that the 0.033 percent of funds distributed to the Center for Equine Health shall supplement, and not supplant, other funding sources.
(2)(A) In addition to the distributions specified in paragraph (1), for thoroughbred meetings, an amount not to exceed 4 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to an organization described in Section 19608.2 with the mutual consent of the racing association, the organization representing the horsemen participating in the meeting, and the board from January 1, 2010, until December 31, 2013. However, the amount shall be no less than that specified in subparagraph (B), and any amount greater than the amount specified in subparagraph (B) shall be approved by the board for no more than 12 months at a time, and only upon a determination by the board that the greater amount is in the economic interest of thoroughbred racing.
(B) Commencing January 1, 2014, an amount not to exceed the amount of actual operating expenses, as determined by the board, or 2.5 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers, whichever is less, shall be distributed to an organization described in Section 19608.2.
(C) A request to the board for a distribution pursuant to subparagraph (A) shall be accompanied by a report detailing all receipts and expenditures over the two prior fiscal years of the funds affected by the request.
(D) The racing association whose request pursuant to subparagraph (A) has been approved by the board shall provide subsequent quarterly reports of receipts and expenditures of the affected funds if requested by the board.
(b) For harness, quarter horse, Appaloosa, Arabian, or mixed breed meetings, 0.4 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to the racing association for payment to the state as a license fee, for fair meetings, 1 percent of the amount handled by the satellite wagering facility on conventional and exotic wagers shall be distributed to the racing association for payment to the state as a license fee, 2 percent shall be distributed to the satellite wagering facility as a commission for the right to do business, as a franchise, and this commission is not for the use of any real property, and 6 percent of the amount handled by the satellite wagering facility or the amount of actual operating expenses, as determined by the board, whichever is less, distributed to an organization described in Section 19608.2. In addition, in the case of quarter horses, 0.4 percent shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7; in the case of Appaloosas, 0.4 percent shall be deposited with the official registering agency pursuant to subdivision

(b) of Section 19617.9 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9; in the case of Arabians, 0.4 percent shall be held by the association to be deposited with the official registering agency, pursuant to Section 19617.8, and thereafter shall be distributed in accordance with Section 19617.8; in the case of standardbreds, 0.4 percent shall be distributed for the California Standardbred Sires Stakes Program pursuant to Section 19619; in the case of thoroughbreds, 0.48 percent shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2 and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2; 0.033 percent shall be distributed to the Center for Equine Health; and 0.067 percent shall be distributed to the California Animal Health and Food Safety Laboratory, School of Veterinary Medicine, University of California at Davis. It is the intent of the Legislature that the 0.033 percent of funds distributed to the Center for Equine Health shall supplement, and not supplant, other funding sources.
(c) In addition, for Appaloosa and mixed breed meetings, 1 percent shall be distributed to an organization described in Section 19608.2 for promotion of the program at satellite wagering facilities. Notwithstanding any other provision of law, on wagers made in the Counties of Orange and Los Angeles on thoroughbred races conducted in the County of Orange or Los Angeles, or both, excluding the 50th District Agricultural Association, the amount deducted for promotion of the satellite wagering program at satellite wagering facilities shall be 0.5 percent. Any of the promotion funds that are not distributed in the year in which they are collected may be distributed in the following year. If promotion funds distributed in any year exceed the amount collected for that year, the funds distributed in the following year shall be reduced by the excess amount. For harness meetings, 0.5 percent of the total amount handled by each satellite wagering facility shall be distributed to an organization described in Section 19608.2 for the promotion of the program at satellite wagering facilities, and 0.5 percent of the total amount handled by each satellite wagering facility shall be distributed according to a written agreement for each race meeting between the licensed racing association and the organization representing the horsemen participating in the meeting. For quarter horse meetings 0.5 percent of the total amount handled by satellite wagering facility on races run in California shall be distributed to an organization described in Section 19608.2 for the promotion of the program at satellite wagering facilities, 0.5 percent of the total amount handled by each satellite wagering facility on out-of-state and out-of-country imported races shall be distributed to the official quarter horse registering agency for the purposes of Section 19617.75, and 0.5 percent of the total amount handled by each satellite wagering facility on all races shall be distributed according to a written agreement for each race meeting between the licensed racing association and the organization representing the horseman participating in the meeting.
(d) Additionally, for thoroughbred, harness, quarter horse, mixed breed, and fair meetings, 0.33 percent of the total amount handled by the satellite wagering facility shall be paid to the city or county in which the satellite wagering facility is located pursuant to Section 19610.3 or 19610.4.
(e) Notwithstanding any other provision of law, a racing association is responsible for the payment of the state license fee as required by this section.

19605.72.
(a) In addition to the amounts deducted and distributed pursuant to Section 19605.7, an amount equal to 1.25 percent of the total amount handled on thoroughbred races conducted by, or disseminated by, a thoroughbred racing association or fair at a satellite facility that is located on the premises where, and on days when, harness races are being conducted in the northern zone, shall be paid to the harness racing association and thereafter shall be distributed as purses to the harness horsemen racing at the harness racing meeting.
(b) In addition to the amounts deducted and distributed pursuant to Section 19605.71, an amount equal to 1.25 percent of the total amount handled on thoroughbred races conducted by, or disseminated by, a thoroughbred racing association or fair at a satellite facility that is located on the premises where, and during calendar periods when, quarter horse or harness race meetings are being conducted in Orange County, shall be distributed as purses to the horsemen racing at the quarter horse or harness racing meeting.

19605.74.
For every year that the organization operating the Breeders' Cup World Championship series chooses to conduct the Breeders' Cup at a race meeting in California, the following, notwithstanding any other law, shall apply to the race meeting conducting the Breeders' Cup races on days during which Breeders' Cup races are conducted:
(a) The amounts that would have otherwise been distributed to a purse account pursuant to subdivisions (a), (b), (c), and (d) of Section 19601.02 shall be made available to the organization operating the Breeders' Cup World Championship series for the purpose of promoting and supporting the Breeders' Cup, including the payment of purses in Breeders' Cup World Championship races.
(b) The thoroughbred racing association hosting the Breeders' Cup shall enter into a written agreement, in consultation and cooperation with the California Tourism Commission and the statewide marketing organization formed pursuant to Section 19605.73, with the organization that operates the Breeders' Cup regarding the manner in which the funds set aside to support and promote the Breeders' Cup are to be expended.
(c) Within 90 days after the holding of each Breeders' Cup, a written report that includes a parimutuel audit shall be made to the board detailing the manner in which the set-aside funds were utilized to promote and support the Breeders' Cup, including the payment of purses in Breeders' Cup races.
(d) Notwithstanding any other law, on days during which Breeders' Cup races are conducted in California, the board may authorize parimutuel wagering on Breeders' Cup races to be run at the host venue and on one nonthoroughbred race specified in the host venue's license application approved by the board. Amounts deducted and distributed pursuant to this chapter from wagering on the specified nonthoroughbred race shall be deducted and distributed as if the wagers were placed on a thoroughbred race.

19605.75.
(a) The Legislature finds and declares that the existence of high caliber thoroughbred racing in California is important to this state's agricultural economy. The California horse racing industry is being threat- ened by the escalating costs of doing business in California, including, but not limited to, workers' compensation insurance costs, in that these costs are not only causing thoroughbred horses and trainers to leave this state, but are also discouraging owners and trainers from bringing horses into this state to compete. It is the intent of the Legislature to provide some relief from these escalating costs through the redistribution of the parimutuel handle on exotic wagers.
(b) Notwithstanding Section 19610, every thoroughbred association and fair that conducts a racing meet shall deduct an additional 0.5 percent of the total amount handled in exotic parimutuel pools of thoroughbred races.
(c) The funds collected pursuant to subdivision (b) from exotic parimutuel pools on thoroughbred races within the inclosure of a thoroughbred association or fair conducting a race meeting, at satellite wagering facilities within this state, and through advance deposit wagering by residents of this state, shall be distributed to the organization described in subdivision (f) to be used in accordance with subdivision (e).
(d) Any thoroughbred association or fair that authorizes a betting system located outside of this state to accept exotic wagers on its races and to combine those wagers in the association's or fair's exotic parimutuel pools, including, but not limited to, a multijurisdictional wagering hub as to exotic wagers made by residents other than those of this state, shall deduct the amount specified in subdivision (b) in addition to any other applicable deductions specified in law. The amount deducted pursuant to this subdivision shall be distributed to the organization described in subdivision (f) to be used in accordance with subdivision (e). This additional deduction shall not be included in the amount on which license fees are determined pursuant to Section 19602.
(e) The amounts distributed to the organization described in subdivision (f) shall be deposited by that organization in a separate account to defray the costs of workers' compensation insurance incurred in

connection with thoroughbred horses that race in this state at thoroughbred associations and racing fairs through the payment of supplemental premiums that reduce rates, payment to or for the benefit of trainers and owners of such thoroughbreds, based on the number of such thoroughbreds they start, in order to reimburse them for the costs of workers' compensation insurance directly or indirectly incurred by them, and other appropriate payments. Any funds that are not used for the purposes set forth in this subdivision shall, after an affirmative vote of at least 25 of the voting interests of the organization described in subdivision (f), either be carried forward to the subsequent year, or be used to reimburse racing associations for the actual cost of health and safety programs, research or safety equipment, or making capital improvements that are designed to prevent workplace accidents and increase the safety of jockeys, exercise riders, backstretch employees, and other racetrack personnel. Those capital improvements shall include, but not be limited to, safety improvements to racing and training surfaces. All requests for reimbursements shall be approved by the board. In developing proposals for approval by the board, the association shall confer with their horsemen's organizations and all affected labor organizations or associations.

(f) The thoroughbred racing associations and the owners' organization described in subdivision (b) of Section 19613 shall form an organization to which funds shall be distributed pursuant to subdivisions (c) and (d). This organization shall have a total of 34 voting interests, of which 16 shall be allocated to the organization representing thoroughbred owners pursuant to Section 19613, one shall be allocated to the official registering agency for thoroughbreds in California, and one shall be allocated to the organization representing thoroughbred trainers pursuant to Section 19613. The remaining 16 votes shall be allocated among the licensed racing associations and racing fairs in the state. Each racing association and fair shall receive the portion of these remaining votes represented by the sum of exotic wagering on its races divided by the statewide total of exotic wagering in the preceding calendar year, excluding Breeders' Cup races. Fractional voting shall be permitted. Any decision of this organization with respect to the allocation of funds pursuant to subdivisions (c) and (d) shall require the affirmative vote of 25 of these voting interests. In the event that the required number of affirmative votes cannot be obtained, the matter shall be submitted to the board for a decision consistent with subdivision (e), and the decision of the board shall be final.(g) The organization formed pursuant to this section shall account annually to the board with respect to the expenditure and distribution of funds received by the organization pursuant to subdivisions (c) and (d), and shall obtain an independent audit of fund generation and distribution. A copy of the completed audit shall be forwarded to the board within 45 days of its receipt by the organization.

19605.76.

(a) Notwithstanding Section 19610, a quarter horse racing association may deduct an additional 0.5 percent of the total amount handled in its exotic parimutuel pools. This additional deduction shall only be permitted with the approval of the organization representing quarter horse horsemen and horsewomen at the applicable racing association meet.

(b) Any funds collected pursuant to subdivision (a) from exotic parimutuel pools on races within the inclosure of a racetrack, at satellite wagering facilities within this state, and through advance deposit wagering by residents of this state, shall be distributed to the organization described in subdivision (e) to be used in accordance with subdivision (d).

(c) Any quarter horse racing association that authorizes a betting system located outside of this state to accept exotic wagers on its races and to combine those wagers in the association's exotic parimutuel pools, including, but not limited to, a multijurisdictional wagering hub as to exotic wagers made by residents other than those of this state, may deduct the amount specified in subdivision (a) in addition to any other applicable deductions specified in law. Any amount deducted pursuant to this subdivision shall be distributed to the organization described in subdivision (e) to be used in accordance with the provisions of subdivision (d). This additional deduction shall not be included in the amount on which license fees are determined pursuant to Section 19602.

(d) The amounts distributed to the organization described in subdivision (e) shall be deposited by that organization in a separate account to defray workers' compensation insurance costs for trainers and

owners who are racing horses at the applicable quarter horse racing association meet. Any funds not expended for this purpose in the calendar year in which they are collected may either be used for the following year's workers' compensation costs, as specified above, or to benefit the purse pools at the track where the funds are generated. Funds to benefit purse pools shall be allocated by breed, in the same proportions as each breed generated in deductions under this section at the track in the year the funds were collected.
(e) The quarter horse racing association and the organization representing quarter horse horsemen and horsewomen shall form an organization to which any funds deducted pursuant to subdivisions (b) and (c) shall be distributed. The quarter horse associations collectively shall have representation equal to that of the organization representing quarter horse horsemen and horsewomen on the governing board of the organization formed pursuant to this subdivision.
(f) If the quarter horse racing association and the organization representing quarter horse horsemen and horsewomen cannot agree on the manner for distributing these funds to defray the costs of workers' compensation insurance, the matter shall be submitted to the board for a decision consistent with subdivision (d), and the decision of the board shall be final.

19605.77.
(a) Notwithstanding Section 19610, a harness racing association may deduct an additional 1 percent of the total amount handled in conventional parimutuel pools of harness races. This additional deduction shall only be permitted with the approval of the organization representing harness horsemen and horsewomen at the applicable racing association meeting.
(b) Any funds collected pursuant to subdivision (a) from conventional parimutuel pools on harness races within the inclosure of a racetrack, at satellite wagering facilities within this state, and through advance deposit wagering by residents of this state, shall be distributed to the organization described in subdivision (e) to be used in accordance with subdivision (d).
(c) Any harness racing association that authorizes a betting system located outside of this state to accept conventional wagers on its races and to combine those wagers in the association's conventional parimutuel pools, including, but not limited to, a multijurisdictional wagering hub as to conventional wagers made by residents other than those of this state, may deduct the amount specified in subdivision (a) in addition to any other applicable deductions specified in law. Any amount deducted pursuant to this subdivision shall be distributed to the organization described in subdivision (e) to be used in accordance with the provisions of subdivision (d). This additional deduction shall not be included in the amount on which license fees are determined pursuant to Section 19602.
(d) The amounts distributed to the organization described in subdivision (e) shall be deposited by that organization in a separate account and used to reduce the workers' compensation insurance costs for trainers who are racing horses at the applicable harness racing association meet. Any funds not expended for this purpose in the calendar year in which they are collected may either be used for the following year's workers' compensation costs, as specified above, or to benefit the harness purse pool at the track where the funds are generated.
(e) The harness racing association and the organization representing harness horsemen and horsewomen shall form an organization to which any funds deducted pursuant to subdivisions (b) and (c) shall be distributed. The harness associations collectively shall have representation equal to that of the organization representing harness horsemen and horsewomen on the governing board of the organization formed pursuant to this subdivision.
(f) If the harness racing association and the organization representing harness horsemen and horsewomen cannot agree on the manner for distributing these funds to defray the costs of workers' compensation insurance, the matter shall be submitted to the board for a decision consistent with subdivision (d), and the decision of the board shall be final.

19605.78.
(a) Notwithstanding Section 19610 and in addition to the deduction specified in subdivision (b) of Section 19605.75, a fair may deduct an additional 0.5 percent of the total amount handled in exotic parimutuel pools of races for any breed, other than races solely for thoroughbreds. This additional deduction shall only be permitted for a breed's races with the approval of the organization representing the horsemen and horsewomen of that breed at the fair.
(b) Any funds collected pursuant to subdivision (a) from exotic pari-mutuel pools on races within the inclosure of a racetrack, at satellite wagering facilities within this state, and through advance deposit wagering by residents of this state, shall be distributed to the organization described in subdivision (e) to be used in accordance with subdivision (d).
(c) Any fair that authorizes a betting system located outside of this state to accept exotic wagers on its races and to combine those wagers in the association's exotic parimutuel pools, including, but not limited to, a multijurisdictional wagering hub as to exotic wagers made by residents other than those of this state, may deduct the amount specified in subdivision (a) in addition to any other applicable deductions specified in law. Any amount deducted pursuant to this subdivision shall be distributed to the organization described in subdivision (e) to be used in accordance with the provisions of subdivision (d). This additional deduction shall not be included in the amount on which license fees are determined pursuant to Section 19602.
(d) The amounts distributed to the organization described in subdivision (e) shall be deposited by that organization in a separate account to defray workers' compensation insurance costs for trainers and owners who are racing breeds other than thoroughbreds at the applicable fair. Any funds not expended for this purpose in the calendar year in which they are collected may either be used for the following year's workers' compensation costs, as specified above, or to benefit the purse pool of each breed at the particular fair where the funds are generated in the same proportions as each breed generated at that fair in the year the funds are collected.
(e) The fairs and the organizations representing the horsemen and horsewomen of each breed for which deductions have been approved under subdivision (a) shall form an organization to which any funds deducted pursuant to subdivisions (b) and (c) shall be distributed. The fairs collectively shall have representation equal to the collective representation of the organizations representing horsemen and horsewomen on the governing board of the organization formed pursuant to this subdivision.
(f) If the fairs and the organizations representing horsemen and horse- women cannot agree on the manner for distributing these funds to defray the costs of workers' compensation insurance, the matter shall be submitted to the board for a decision consistent with subdivision (d), and the decision of the board shall be final.

19605.79.
(a) Notwithstanding any other provision of law, in the event there are at any time uncommitted surplus funds in accounts created pursuant to Sections 19605.73 and 19605.75, those unexpended funds may, at the written request of the organization governing those funds and with the approval of the board, be reallocated to any other fund or account created pursuant to this chapter.
(b) Requests to the board to reallocate funds pursuant to subdivision (a) shall be accompanied by a report detailing all receipts and expenditures over the two prior fiscal years of the funds affected by the request.
(c) Initial board approval of a request to reallocate funds pursuant to subdivision (a) shall be limited to a one-year period. Approval of a real- location may be extended beyond one year upon a determination by the board that the extension is in the economic interest of thoroughbred racing.
(d) The organization whose written request pursuant to subdivision (a) has been approved by the board shall provide subsequent quarterly reports of receipts and expenditures of the affected funds if requested by the board.
(e) The organization whose written request pursuant to subdivision (a) has been approved by the board shall file a report with the board and the respective fiscal committees and committees on governmental organization of the Senate and the Assembly accounting for all receipts and expenditures in any of the

affected funds. This report shall be filed within one year of initial board approval and annually thereafter if the approval is extended by the board.

19605.8.
(a) For thoroughbred meetings, the funds remaining after distribution of the amounts set forth in Sections 19605.7, 19605.71, and 19605.72 shall be distributed 50 percent as commissions to the association that conducts the racing meeting and 50 percent as purses to the horsemen participating in the racing meeting. From the amount distributed as purses, a sum equal to 0.07 percent of the handle shall be held by the association to be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.

19605.9.
(a) Except as provided in subdivision (b), in the central and southern zones, all of the funds distributed for purses from satellite wagering facilities shall go to the purse program of the association conducting the racing meeting.
(b) Notwithstanding subdivision (a), all funds for distribution as purses at satellite wagering facilities which are racing fairs in the County of Los Angeles from wagering on thoroughbred horse racing conducted at the 22nd District Agricultural Association Fairgrounds shall be paid to a racing fair in the County of Los Angeles for supplementing purses at the fair meeting. Commencing January 1, 1992, the funds distributed for purses from satellite wagering facilities pursuant to this subdivision shall not exceed the amount distributed during the 1990 calendar year. Any funds in excess of this amount shall be distributed as purses at the racing meeting conducted by the association.

19606.
(a) For harness, quarter horse, Appaloosa, Arabian, mixed breed, and fair meetings, the funds remaining after the distribution of the amounts set forth in Sections 19605.7 and 19605.71 shall be distributed 50 percent as commissions to the association that conducts the racing meeting and 50 percent to the horsemen participating in the racing meeting in the form of purses. However, owners' premiums shall be paid from the amount distributed for purses in the same relative percentage as owners' premiums are paid at the racing meeting, except that for thoroughbred races the owners' premiums shall be as provided in subdivision (a) of Section 19605.8.
(b) In addition to funds distributed under Sections 19605.7 and 19605.71, from the amount that would be distributed to harness racing horsemen in the form of purses under this section, an amount equal to 0.1 percent of the amount handled on conventional and exotic wagers on standardbreds at satellite wagering facilities in California shall be distributed for the California Standardbred Sires Stakes Program pursuant to Section 19619.

19606.1.
(a) All license fees from satellite wagering that are deposited in the Fair and Exposition Fund shall be deposited in a separate account in the fund and, notwithstanding Section 13340 of the Government Code, are continuously appropriated from that account to the Department of Food and Agriculture, for allocation by the Secretary of Food and Agriculture, at his or her discretion, for the purposes set forth in paragraphs (1) to (6), inclusive. The concurrence of the Director of Finance shall be required for allocations pursuant to paragraphs (1) and (2). Allocations pursuant to paragraphs (3) to (6), inclusive, shall be made with the concurrence of the Joint Committee on Fairs Allocation and Classification.
(1) For the repayment of the principal of, interest on, and costs of issuance of, and as security, including any coverage factor, pledged to the payment of, bonds issued or to be issued by a joint powers agency or other debt service or expense, including repayment of any advances made or security required by any

provider of credit enhancement or liquidity for those bonds or other indebtedness or expenses of maintaining that credit enhancement or liquidity, incurred for the purpose of constructing or acquiring improvements at a fair's racetrack inclosure, satellite wagering facilities at fairs, health and safety repair projects, or handicapped access compliance projects at fairs or for the purpose of refunding bonds or other indebtedness incurred for those purposes. As used in this paragraph, "coverage factor" means revenues in excess of the amount necessary to pay debt service on the bonds or other indebtedness, up to an amount equal to 100 percent more than the amount of that debt service, which a joint powers agency, pursuant to the resolution or indenture under which the bonds or other indebtedness are or will be issued, pledges as additional security for the payment of that debt service or is required to have or maintain as a condition to the issuance of additional bonds or other indebtedness. Notwithstanding any other law, at the discretion of the Secretary of Food and Agriculture, the department may also commit any funds available for allocation under Chapter 3 (commencing with Section 3200) of Part 1 of Division 3 of the Food and Agricultural Code to complete projects funded under this paragraph in the priority described in this paragraph.

(2) For payment to the State Race Track Leasing Commission to be pledged for the repayment of debt necessary to construct a racetrack grandstand at the 22nd District Agricultural Association fairgrounds. This payment shall be made only if the Secretary of Food and Agriculture determines, annually, that all other pledged revenues have been applied to the repayment of that debt and have been determined by the secretary to be inadequate for that purpose.

(3) For the payment of expenses incurred in establishing and operating satellite wagering facilities at fairs.

(4) For the support of an equipment and operating fund to produce and display a consolidated California signal at satellite wagering facilities and fairs.

(5) For health and safety repair projects at fairs, which includes fire and life safety improvement projects, California Code of Regulations compliance projects, and long-term deferred maintenance projects.

(6) For the development and payment of revenue generating projects, the establishment of pilot projects to restructure the current fair system, and for projects realizing a cost savings for more efficient use of existing fair resources.

(b) The Secretary of Food and Agriculture shall not make an allocation for purposes of paragraphs (2) to (6), inclusive, of subdivision (a) until the payments required in any fiscal year pursuant to paragraph (1) of subdivision (a) have been funded.

(c) Pursuant to subdivision (a), the Joint Committee on Fairs Allocation and Classification shall review and concur, or not concur, with the secretary's determination of the allocations to be made pursuant to paragraphs (3) to (6), inclusive, of subdivision (a) in total, and the committee shall not add to, or delete projects or line items from, the proposed allocations.

(d) Approval of the Joint Committee on Fairs Allocation and Classification is deemed complete when one of the following conditions is met:

(1) The annual budget act is enacted.

(2) If the secretary's recommendations are received by the Joint Committee on Fairs Allocation and Classification after the enactment of the annual budget act, the recommendations shall be deemed approved 30 days after they are received unless they are rejected by the committee.

(e) If the Joint Committee on Fairs Allocation and Classification does not concur with the secretary's recommendations, the secretary may resubmit another set of recommendations pursuant to this section that considers the committee's review and suggestions. The resubmitted recommendations shall be deemed approved 30 days after they are received by the committee.

(f) The payments required in any fiscal year for the purposes of paragraphs (1) to (3), inclusive, of subdivision (a) shall be made before any transfer is made pursuant to subdivision (g).

(g) Except as otherwise provided in subdivision (f), when the revenues deposited into the separate account exceed eleven million dollars ($11,000,000) in any fiscal year, the amount in excess of eleven million dollars ($11,000,000) shall be transferred to the Fair and Exposition Fund for allocation in accordance with Section 3204 of the Food and Agricultural Code.

(h) All of the costs of administering the accounts created by subdivision (a) shall be charged to the account.

19606.5.
Notwithstanding subdivision (b) of Section 19641, the state shall receive as additional license fees 50 percent of any redistributable money in a parimutuel pool arising from wagers at a satellite wagering facility in the central or southern zone, subject to payment to a claimant pursuant to Section 19598, but not successfully claimed within that period, and the funds shall be deposited in the General Fund. The remaining 50 percent of redistributable money in a parimutuel pool arising from wagers at a satellite wagering facility shall be paid to a welfare fund established by the horsemen's organization contracting with the association conducting the racing meeting for the benefit of horsemen, and that organization shall make an accounting to the board within one calendar year of the receipt of the payment.

19606.6.
Of the total breakage arising in a parimutuel pool which includes wagers at satellite wagering facilities in the central or southern zone, that percentage of breakage equal to the percentage that wagers placed at satellite wagering facilities constitute of the total parimutuel pool shall be distributed equally among the state as an additional license fee deposited in the General Fund, the track conducting the racing meeting as a commission, and the horsemen participating in the racing meeting in the form of purses. The remainder of the breakage shall be distributed in the same manner as breakage arising from wagers at the track conducting the racing meeting.

19607.
(a) Notwithstanding Sections 19605.8 and 19605.9, when satellite wagering is conducted on thoroughbred races at associations or fairs in the central or southern zone, an amount not to exceed 2 percent of the total amount handled by all of those satellite wagering facilities shall be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead distributed to an organization formed and operated by one licensed association from each facility in the central and southern zones at which a thoroughbred or fair racing meeting is conducted, and the organization representing thoroughbred horsemen and horsewomen, for use in accordance with Section 19607.1.
(b) A vote of the organization representing thoroughbred horsemen and horsewomen shall constitute 50 percent of all voting interests on the board of the organization formed and operated to administer the fund. The other 50 percent of all voting interests shall be allocated equally among the other members of the organization. Any use of funds by the organization shall be approved by the affirmative vote of both (1) the organization representing thoroughbred horsemen and horsewomen, and (2) at least two of the licensed thoroughbred racing associations that are part of the organization formed pursuant to this section, provided, however, that, if there are only two licensed thoroughbred racing associations that are part of the organization formed pursuant to this section, the vote of at least one of those two licensed thoroughbred racing associations shall be sufficient.

19607.1.
(a) Notwithstanding Section 19535, the funds distributed to the organization formed pursuant to Section 19607 shall be used to pay the expenses of the organization and compensate the provider of a board-approved auxiliary facility for offsite stabling and training of thoroughbred horses in the central or southern zone. The organization administering the offsite stabling and vanning program shall submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year. Neither the organization administering the offsite stabling and vanning program nor any of the entities forming and operating the organization, except an entity operating the auxiliary offsite stabling facility where the injury occurred, shall be liable for any injury to any jockey,

exercise person, owner, trainer, or any employee or agent thereof, or any horse occurring at any offsite stabling facility.
(b) The funds shall also be used to cover all or part of the cost of vanning thoroughbred horses from a board-approved auxiliary offsite stabling and training facility to start in a thoroughbred race at a thoroughbred or fair racing meeting in the central or southern zone. The organization shall determine the extent of and manner in which compensation will be paid for thoroughbred horses that are vanned from the auxiliary facility to the track conducting the thoroughbred or fair racing meeting, but the vanning shall be made available on a consistent and uniform basis for all thoroughbred and fair racing meetings in a given year. Neither the organization administering the offsite stabling and vanning program nor any of the entities that form and operate the organization, except an entity actually engaged in vanning horses, is liable for any injury occurring to any individual or horse during vanning from an offsite stabling facility.
(c) The auxiliary offsite stabling facilities and amenities provided for offsite stabling and training purposes shall be substantially equivalent in character to those provided by the thoroughbred racing association or fair conducting the racing meeting.
(d) In order to ensure the long-term availability of facilities for offsite stabling and training, the organization may enter into multiyear contracts for auxiliary facilities in either the central or southern zone. The organization shall submit to the board for its approval multiyear contracts it enters into with providers of auxiliary facilities for the offsite stabling and training. Contracts not disapproved by the board within 60 days of submittal to the board shall be deemed to have been approved by the board. Once a multiyear contract has been approved by the board, it shall be considered to have been approved for its duration.
(e) At the request of the board, the organization shall submit a report detailing all of its receipts and expenditures over the prior two fiscal years and, upon request of any party within the organization, those receipts and expenditures shall be audited by an independent third party selected by the board at the expense of the organization.
(f) In addition to the uses of funds described in subdivisions (a) and (b), the organization may use those funds to do both of the following:
(1) Maintain a reserve fund of up to 10 percent of the total estimated annual vanning and auxiliary offsite stabling costs. In addition to the reserve fund, if the funds generated for the auxiliary offsite stabling facilities and vanning are insufficient to fully cover the expenses incurred, the organization may, in the future, accumulate sufficient funds to fully cover those expenses.
(2) Pay back commissions, purses, and owners' premiums to the extent the deductions made pursuant to Section 19607 exceed in any year the amount of funds necessary to achieve the objectives of the organization.
(g) The amount initially deducted and distributed to the organization shall be 2 percent of the total amount handled by satellite wagering facilities authorized under this article in the central or southern zone on thoroughbred racing, but that allocation may be adjusted by the board, in its discretion. However, the adjusted amount may not exceed 2 percent of the total amount handled by satellite wagering facilities.
(h) The board shall reserve the right to adjudicate any disputes that arise regarding costs or other matters relating to the furnishing of offsite stabling or vanning. Notwithstanding any other law, the board shall maintain all powers necessary and proper to ensure that offsite stabling and vanning, as provided for in this chapter, is conducted in a manner that protects the public and serves the best interests of horse racing.

19607.2.
Notwithstanding Section 19605.8, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern zone, an amount not to exceed 2 percent of the total amount handled by all of those satellite wagering facilities shall be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead be distributed to an organization formed and operated by thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen and horsewomen, for use pursuant to Section 19607.3. A vote of the organization representing thoroughbred horsemen and horsewomen shall

constitute 50 percent of all voting interests on the board of the organization formed and operated to administer the fund. The other 50 percent of all voting interests shall be allocated among thoroughbred racing associations and fairs conducting thoroughbred racing in a manner that provides meaningful representation on the governing board of the organization for thoroughbred racing associations and fairs conducting thoroughbred racing, except as provided in subdivision (h) of Section 19607.3.

19607.3.
(a) Notwithstanding Section 19535, the funds distributed to the organization formed pursuant to Section 19607.2 shall be used to pay the expenses of the organization and compensate the provider of a board-approved auxiliary facility for offsite stabling and training of thoroughbred horses in the northern zone. The organization administering the offsite stabling and vanning program shall submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year. Neither the organization administering the offsite stabling and vanning program nor any of the entities forming and operating the organization, except an entity operating the auxiliary offsite stabling facility where the injury occurred, shall be liable for any injury to any jockey, exercise person, owner, trainer, or any employee or agent thereof, or any horse occurring at any offsite stabling facility.
(b) The funds shall also be used to cover all or part of the cost of vanning thoroughbred horses from a board-approved auxiliary offsite stabling and training facility to start in a thoroughbred race at a thoroughbred or fair racing meeting in the northern zone. The organization shall determine the extent of and manner in which compensation will be paid for thoroughbred horses that are vanned from the auxiliary facility to the track or fair conducting the thoroughbred or fair racing meeting. Neither the organization administering the offsite stabling and vanning program nor any of the entities that form and operate the organization, except an entity actually engaged in vanning horses, is liable for any injury occurring to any individual or horse during vanning from an offsite stabling facility.
(c) The auxiliary offsite stabling facilities and amenities provided for offsite stabling and training purposes shall be substantially equivalent in character to those provided by the thoroughbred racing association or fair conducting the racing meeting.
(d) In order to ensure the long-term availability of facilities for offsite stabling and training, the organization may enter into multiyear contracts for auxiliary facilities in the northern zone. The organization shall submit to the board for its approval multiyear contracts it enters into with providers of auxiliary facilities for the offsite stabling and training. Contracts not disapproved by the board within 60 days of submittal to the board shall be deemed to have been approved by the board. Once a multiyear contract has been approved by the board, it shall be considered to have been approved for its duration.
(e) At the request of the board, the organization shall submit a report detailing all of its receipts and expenditures over the prior two fiscal years and, upon request of any party within the organization, those receipts and expenditures shall be audited by an independent third party selected by the board at the expense of the organization.
(f) In addition to the uses of the funds described in subdivisions (a) and (b), the organization may use those funds to do both of the following:
(1) Maintain a reserve fund of up to 10 percent of the total estimated annual vanning and auxiliary offsite stabling costs. In addition to the reserve fund, if the funds generated for the auxiliary offsite stabling facilities and vanning are insufficient to fully cover the expenses incurred, the organization may, in the future, accumulate sufficient funds to fully cover those expenses.
(2) Pay back commissions, purses, and owners' premiums to the extent the deductions made pursuant to Section 19607.2 exceed in any year the amount of funds necessary to achieve the objectives of the organization.
(g) The amount initially deducted and distributed to the organization pursuant to Section 19607.2 may be adjusted by the board, in its discretion. However, the adjusted amount shall not exceed 2 percent of the total amount handled by satellite wagering facilities. The amount deducted and distributed to the organization as adjusted by the board may be a different percentage of the handle for different

associations and fairs conducting thoroughbred racing meetings in the northern zone, but only if all the associations and fairs agree to the differing percentages.
(h) A thoroughbred racing association or fair in the northern zone that the board determines is able to provide the minimum number of stalls required by its racing meeting license without the use of any auxiliary offsite stabling and training facility and vanning program may opt out of that program, in which case the deduction described in Section 19607.2 shall not apply during the live racing meeting conducted by the association or fair until such time as the association or fair opts back into the auxiliary offsite stabling and training facility and vanning program. Any thoroughbred racing association or fair in the northern zone that opts out of the auxiliary offsite stabling and training facility and vanning program shall not have any voting interest therein until such time as the association or fair opts back into the program. The organization shall establish reason- able procedures and timelines for the giving of notice to the organization by a thoroughbred racing association or fair that elects to opt out of the auxiliary offsite stabling and training facility and vanning program.
(i) The board shall reserve the right to adjudicate any disputes that arise regarding costs, or other matters, relating to the furnishing of offsite stabling or vanning. Notwithstanding any other law, the board shall maintain all powers necessary and proper to ensure that offsite stabling and vanning, as provided for in this chapter is conducted in a manner that protects the public and serves the best interests of horse racing.

19607.4.
(a) Notwithstanding any other provision of law, any amount up to an amount equal to the difference between the maximum deduction authorized pursuant to Sections 19607 and 19607.2 and the amount actually deducted, not to exceed four million dollars ($4,000,000) statewide annually, may be utilized to obtain, provide, or defray the cost of workers' compensation coverage for licensed thoroughbred stable employees and jockeys, and an amount not to exceed one million dollars ($1,000,000) statewide annually, may be paid to the thoroughbred welfare fund described in subdivision (b) of Section 19641 from the funds described in Sections 19607 and 19607.2, provided (1) there is a written agreement between the owners' organization described in subdivision (a) of Section 19613 and those racing associations and fairs that annually conduct in California at least 75 percent of the thoroughbred races regarding the utilization of those funds; and (2) the agreement is filed with the board.
(b) The agreement shall be binding upon the owners' organization and all of the racing associations and fairs that conduct thoroughbred races in California and the board shall have the authority to enforce the terms of the agreement. The board shall not, however, have the authority to impose an agreement upon the owners' organization or the group of racing associations or fairs described herein.

19607.5.
(a) Notwithstanding any other provision of law, when both a fair and a thoroughbred association are licensed by the board to conduct live racing meetings within the northern zone during the same calendar period, signals of both racing programs shall be accepted at each live racing meeting within the northern zone and at all satellite wagering facilities eligible to receive these programs.
(b) Notwithstanding any other provision of law, in order to ensure that fairs which previously had an exclusive right to send their signals to satellite wagering facilities in the northern zone during periods of overlap do not lose commission revenues from satellite wagering, each fair that conducts its meeting during the period described in subdivision (a) shall receive the following satellite wagering commissions:
(1) With respect to the 2nd District Agricultural Association in Stockton, the commissions payable to the fair from satellite wagering during the period described in subdivision (a) shall be the greater of any of the following:
(A) The actual commission earned by the fair from satellite wagering on its live races during that period.
(B) Fifty percent of the total combined satellite wagering commissions payable to the thoroughbred

association and the fair during that period.
(C) One hundred ten percent of the satellite wagering commissions paid to the fair during its live racing meeting in 1990.
If the satellite wagering commissions received by the 2nd District Agricultural Association are less than the greater of the amounts specified in subparagraph (B) or (C), the thoroughbred association shall pay to the fair from amounts deducted from satellite wagering on its meeting and before distribution of any satellite wagering commissions and purses on its meeting, an amount equal to the difference between the actual satellite wagering commissions received by the fair in that year and the applicable amount from subparagraph (B) or (C). No additional satellite wagering commission shall be paid to the fair by an association unless the fair conducts live racing during the period described in subdivision (a).
(2) With respect to the California Exposition and State Fair in Sacramento, the commissions payable to the fair from satellite wagering during the period described in subdivision (a) shall be the greater of either of the following:
(A) The actual commission earned by the fair from satellite wagering on its live races during that period.
(B) Sixty percent of the total combined satellite wagering commissions payable to the thoroughbred association and the fair during that period.
If the satellite wagering commissions received by the California Exposition and State Fair are less than the amount described in (B), the thoroughbred association shall pay to the fair from amounts deducted from satellite wagering on its meeting and before distribution of any satellite wagering commissions and purses on its meeting, an amount equal to the difference between the actual satellite wagering commissions received by the fair in that year and the amount described in (B). No additional satellite wagering commission shall be paid to the fair by an association unless the fair conducts live racing during the period described in subdivision (a).
(c) During any periods described in subdivision (a), including periods of overlap for fairs not specified in subdivision (b), the thoroughbred association shall deduct the same percentage from the total amount wagered in its daily conventional and exotic parimutuel pools as the percentage deducted by the fair meeting. The amounts deducted shall be distributed as otherwise provided in this article, with the following exceptions:
(1) If the percentages deducted from the conventional and exotic pari- mutuel pools of the thoroughbred association under this subdivision exceed the percentages deducted from the association’s pools during periods other than those described under subdivision (a), the amount deducted which is equivalent to the difference between those percentages shall be distributed by the thoroughbred association equally between commissions and purses.
(2) If a thoroughbred association and the 2nd District Agricultural Association in Stockton or the California Exposition and State Fair in Sacramento both conduct live racing meetings during any period described in subdivision (a), the total amount deducted shall be distributed by both the association and fair in the percentages specified for fair meetings in subdivision (b) of Section 19605.7.
Nothing in this subdivision requires any portion of the additional deduction to be distributed pursuant to subdivision (c) of Section 19614.
(d) Notwithstanding any other provision of law, an association and fair that conduct their meeting pursuant to subdivision (b) shall combine the operating expenses incurred at satellite wagering facilities during the period described in subdivision (a). For purposes of this subdivision only, the combined satellite wagering operating expenses of the association and the fair during the period described in subdivision (a) shall not exceed the actual expenses, or 6 percent of the combined parimutuel pool at satellite wagering facilities, whichever is less.

19608.
An association other than a fair that conducts a horseracing meeting with an average daily handle of one million five hundred thousand dollars ($1,500,000) or more shall produce a live audiovisual signal of its racing program and shall make this signal available, in accordance with subdivision (a) of Section 19605.3 to any satellite wagering facility authorized to conduct wagering pursuant to Section 19605, 19605.1,

19605.2, or 19605.6.

19608.1.
Unless the board finds it impractical to do so, any fair or any association with an average daily handle of less than one million five hundred thousand dollars ($1,500,000) may produce, at its option, a live audiovisual signal of its racing program. If the fair or association produces a signal of its program, the signal shall be made available, in accordance with subdivision (a) of Section 19605.3 to any satellite wagering facility authorized to conduct wagering pursuant to Section 19605, 19605.1, 19605.2, or 19605.3.

19608.2.
(a) In order to permit associations providing audiovisual signals the ability to do so without undue burden and expense, to avoid unnecessary duplication of facilities, to permit the associations to protect the security of their signals, and to permit the associations to protect the integrity of their parimutuel pools and to account for wagering proceeds included in those parimutuel pools, associations and fairs providing audiovisual signals pursuant to Section 19608 or 19608.1 may form an organization to operate, pursuant to board supervision, the audiovisual signal system.
(b) An organization operating under board supervision pursuant to this section may consist of any combination of associations and fairs.
(c) Nothing in this section precludes any other person or business entity from participating in, or holding a financial interest in, an organization formed by associations or fairs to operate satellite wagering, except that the person or business entity shall be approved by the board.
(d) Any organization formed shall provide horsemen’s organizations contracting with associations and fairs for racing meetings and nonracing fairs operating satellite wagering facilities meaningful representation on its governing board, and shall administer the audiovisual signal and pari- mutuel operations at satellite wagering facilities.
(e) (1) An organization shall bear the costs of operating the audiovisual signal system, including the costs of leasing or purchasing and operation of equipment for transmission and decoding of audiovisual signals and wagering data, the costs of totalisator equipment, mutuel department labor and equipment charges, and the costs, including labor, and overhead of the organization administering the satellite wagering program.
(2) A satellite wagering facility shall bear the costs of satellite receiving dishes, head-end assemblies, television monitors or screens, facility buildings, labor at the satellite wagering facility other than mutuel department labor, and any and all other costs at the satellite wagering facility not specifically referred to in paragraph (1).
(3) The board shall approve all costs and resolve any differences between an organization and a satellite wagering facility as to which party is required to bear the costs for a disputed item.

19608.3.
(a) Funds allocated by the Director of Food and Agriculture pursuant to paragraph (3) of subdivision (a) of Section 19606.1 for fire and life safety improvement projects, California Code of Regulations compliance projects, and long-term maintenance projects at fairs in the northern zone shall be allocated in accordance with a project schedule determined by the Department of Food and Agriculture in compliance with this section.
(b) The department shall prepare a three-year schedule of these projects which commences July 1, 1987, and shall annually update the schedule. The schedule shall list individual project costs, contain a project description, and specify estimated project completion dates.

19608.4.
A satellite wagering facility, an organization established pursuant to Section 19608.2 or any of their subcontractors or entities under contract to perform any of the functions specified in this article shall, as a condition of operating, enter into a written contractual agreement with the bona fide labor organization which has historically represented the same or similar classifications of employees at the nearest horseracing meeting. Permanent state or county employees and nonprofit organizations who have historically performed certain services at county, state, or agricultural district fairs may continue to provide those services notwithstanding this section.

19608.5.
All revenues payable to the state and deposited in a separate account in the fund pursuant to Section 19606.1 that are allocated by the Secretary of Food and Agriculture for the purposes of paragraph (1) of subdivision (a) of Section 19606.1 are hereby pledged for the repayment of the principal of, and interest on, bonds issued by a joint powers agency, or of other debt service or expense incurred for the purposes described in that paragraph (1).

19608.6.
(a) Any joint powers agency requesting money in connection with the issuance of bonds for the purposes described in paragraph (1) of subdivision (a) of Section 19606.1 shall file an application with the Secretary of Food and Agriculture, in the form required by the secretary.
(b) The secretary shall, upon review of the applications, prepare a statement of allocation of money to the joint powers agency, in the priority the director deems appropriate.
(c) The secretary shall adopt regulations governing the allocation procedures to be followed in implementing this section.

19608.7.
It is the intent of the Legislature in enacting Sections 19608.5, 19608.6, and 19608.8 to provide the revenues necessary for the financing by joint powers agencies of the described facilities and projects which shall be deemed to be public capital improvements within the meaning of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code. Deposits into the account in the fund in accordance with paragraph (1) of subdivision (a) of Section 19606.1 shall continue through and including either the 20th year after the initial calendar year in which the revenues are collected, or whatever period of time is necessary to repay any borrowings of joint powers funding mechanism, including, but not limited to, retirement of bonded indebtedness, loan repayments, and monthly payments involving lease-purchase programs made by a joint powers agency to finance described facilities and projects, whichever time is longer.

19608.8.
The State of California does hereby pledge to and agree with the holders of any bonds or other indebtedness issued, and with those joint powers agencies which may enter into project agreements with fairs or other third parties or authorize bonds or other indebtedness to be issued, in reliance on the allocations set forth in subdivision (a) of Section 19606.1, that the state will not alter or change the structure of funding and deposits set forth in, or the pledge of funds for debt service, security, including any coverage factors, and expenses, pursuant to that section until the bonds and other indebtedness are fully paid or discharged and the project is fully performed or discharged. However, nothing precludes any alteration or change, if and when, adequate provision has been made by law for the protection from impairment of the contracts represented by the bonds, other indebtedness and projects, and the right to so alter or change is hereby reserved. Joint powers agencies may include this pledge and undertaking of the state in the bonds, agreements evidencing other indebtedness, and project agreements.

Article 9.5. License Fees, Commissions, and Purses

19610.
Every association which conducts a racing meeting shall deduct 15 percent of the total amount handled in conventional parimutuel pools and 16.75 percent of the total amount handled in exotic parimutuel pools, except that any association conducting a harness racing meeting shall deduct 17.75 percent of the total amount handled in exotic parimutuel pools. The amounts as deducted shall be distributed as prescribed in this chapter.

19610.1.
Every association which conducts a harness racing meeting and deducts 17.75 percent of the total amount handled in exotic parimutuel pools shall use 1 percent of the total amount handled in the exotic pari- mutuel pools to fund the California Standardbred Sires Stakes Program. The 1 percent shall be deposited into the separate trust account provided for in Section 19619.

19610.2.
Every association that conducts a racing meeting shall deduct one-tenth of 1 percent of the total amount handled. From the amount deducted on wagers made on-track, thirty-three one hundredths of the amount deducted shall be distributed to the Center for Equine Health and shall supplement, and not supplant, other funding sources. Sixty-seven one hundredths of the amount deducted shall be distributed to the California Animal Health and Food Safety Laboratory to fund the equine drug testing program and laboratory at the University of California, Davis described in Section 19578.

19610.3.
In addition to the amounts required or allowed to be deducted from the parimutuel pools as provided by this chapter, and except as otherwise provided in this section, every association that conducts a racing meeting may elect permanently to deduct an additional amount up to 0.33 of 1 percent from the total parimutuel wagers placed within its inclosure. This election is not available to the California Exposition and State Fair or to a county or district agricultural association fair unless, prior to January 1, 1984, the city or county in which the fair meeting was being conducted levied a license fee or excise tax pursuant to Section 19495 or imposed an admission tax on track patrons.
The amounts deducted pursuant to this section shall be retained by the association or fair for the payment of possessory interest taxes, if any, assessed against the organization described in Section 19608.2, the racing association, or fair, and after payment of these taxes shall be distributed to the city in which the racing meeting is conducted or, if the meeting is conducted outside the limits of any city, to the county in which the racing meeting is conducted. If a city or county has elected by ordinance to receive a distribution from a racing association under this section, it shall not at any time thereafter assess or collect, with respect to an event conducted by that racing association, or an event conducted by or by contract with that association or fair, any license or excise tax or fee, including, but not limited to, any admission, parking, or business tax, or any tax or fee levied solely upon the racing association conducting a racing meeting or any racing patron, participant, service-supplier, promoter, or vendor thereof. Further, a city or county electing to receive a distribution under this section shall continue to provide ordinary and traditional municipal services, such as police services and traffic control, in connection with racing meetings. “Ordinary and traditional services,” as used in this section, means those services provided by the city or county at no charge to the racing association in 1981. If an eligible city or county does not elect to receive a distribution under this section, the amount remaining after payment of possessory interest taxes, if any, as provided in this section shall be paid to the state as an additional license fee.

19610.4.
Notwithstanding Section 19610.3, any association that conducts a racing meeting pursuant to Section 19549.9, or any fair that operates a satellite wagering facility, may elect to deduct an additional amount

of 0.33 of 1 percent from the total parimutuel wagers placed within its inclosure or at its satellite wagering facility.
The amounts deducted pursuant to this section shall be retained by the association or fair for the payment of possessory interest taxes, if any, assessed against the organization described in Section 19608.2, the racing association, or fair, and after payment of these taxes shall be distributed to the city or county in which the racing meeting or wagering is conducted, at the option of the association or fair. If a city or county has elected by ordinance to receive a distribution from a racing association or fair under this section, it shall not at any time thereafter assess or collect, with respect to an event conducted by that racing association or, an event conducted by or by contract with that fair, any license or excise tax or fee, including, but not limited to, any admission, parking, or business tax, or any tax or fee levied solely upon the racing association or fair conducting a racing meeting or satellite wagering, or any patron, participant, service-supplier, promoter, or vendor thereof. Further, a city of county electing to receive a distribution under this section shall provide ordinary and traditional municipal services, such as police services and traffic control, in connection with the racing meetings or satellite wagering. If an eligible city or county does not elect to receive a distribution under this section, the amount remaining after payment of possessory interest taxes, if any, as provided in this section shall be paid to the state as an additional license fee.

19610.6.
Notwithstanding Section 19605.71, and in lieu of any deduction under Section 19610.3 or 19610.4, the 22nd District Agricultural Association shall deduct an additional amount of 0.33 of 1 percent from the total parimutuel wagers placed at its satellite wagering facility.
Forty percent of the amount deducted pursuant to this section shall be distributed to the City of Del Mar and 40 percent shall be distributed to the City of Solana Beach, if the respective city has elected to receive a distribution under this section. The remaining amounts deducted pursuant to this section shall be distributed to the San Dieguito River Valley Regional Open Space Park Joint Powers Authority, which is established for the enhancement of the San Dieguito River Valley and Lagoon. If the San Dieguito River Valley Regional Open Space Park Joint Powers Authority is dissolved, the distribution of the remaining amounts deducted pursuant to this section shall be distributed to the County of San Diego. If the City of Del Mar or the City of Solana Beach has elected by ordinance to receive a distribution from a fair under this section, it shall not at any time thereafter assess or collect, with respect to an event conducted by that fair, any license or excise tax or fee, including, but not limited to, any admission, parking, or business tax, or any tax or fee levied solely upon the fair conducting satellite wagering or any patron thereof. Furthermore, a city electing to receive a distribution under this section shall provide ordinary and traditional municipal services, such as police services and traffic control, in connection with the satellite wagering. If an eligible city does not elect to receive a distribution under this section, the amount deducted shall be paid to the state as an additional license fee.

19610.8.
Notwithstanding any other provision of law, and in lieu of any deduction and distribution provided for in this chapter, upon the joint request of the association or fair accepting the wager, and the organization representing the horsemen and horsewomen participating in the meeting of the association or fair accepting the wager, the board may set the total percentage deducted from the parimutuel pool for proposition wagers and any new type of wager introduced after January 1, 2004, in an amount of at least 10 percent and not more than 30 percent of the amount handled in the parimutuel pool for the wager. Three percent of the amount deducted shall be paid to the state as a license fee and, if the wager was placed at a satellite wagering facility or a location other than the host racing association, 8 percent of the amount deducted shall be paid to the satellite wagering facility or to the entity that processed the wager. Notwithstanding the foregoing and in lieu of the license fee set forth herein for proposition wagers, with regard to quarter horse racing only, the total wagers made in a proposition parimutuel pool are

subject to the same licensee fee as exotic wagers on a live quarter horse race. In addition, with respect to thorough- bred racing only, 3 percent of the amount remaining after the payment of the state license fee and payment to a satellite wagering facility or an entity that processed the wager, if any, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. Thereafter, for all kinds of racing, except quarter horse racing, the remaining amount shall be distributed 50 percent to the association conducting the racing meeting and 50 percent to the horsemen participating in the racing meeting as purses. With regard to quarter horse racing, commissions and purses shall be distributed in the amounts mutually agreed upon by the association conducting the meeting and the organization representing the horsemen and horsewomen.

19611.
(a) For every thoroughbred association conducting a live racing meeting in the northern zone, 1.3 percent of the total amount handled on live races, excluding wagering at a satellite facility, shall be retained by the association for payment to the state as a license fee.
(b) For every thoroughbred association conducting a live racing meeting in the central or southern zone, 2 percent of the total amount handled on live races, excluding wagering at a satellite wagering facility, shall be retained by the association for payment to the state as a license fee.
(c) Additionally, 0.54 percent of the total amount handled on live racing, excluding wagering at a satellite facility, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2 and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.
(d) After distribution of the applicable amounts set forth in subdivision (a), (b), or (c), and the payments pursuant to other relevant sections of this chapter, all funds remaining from the deductions shall be distributed 51.9 percent as commissions and 48.1 percent as purses. From the amount distributed as purses, a sum equal to 0.07 percent of the total handle shall be held by the association to be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.

19611.5.
(a) In addition to the amounts otherwise deducted pursuant to this chapter, every association other than a fair that conducts a thoroughbred race meeting may deduct from the total amount handled in daily double, quinella, exacta, and other multiple wagering pools approved by the board up to 3 percent thereof to be distributed 50 percent as commissions and 50 percent as purses. From the amount distributed as purses, a sum equal to 0.07 percent of the total handle shall be held by the association to be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.
(b) At least 30 days prior to the commencement of its meeting, the association shall file with the board a statement of the additional deduction to be made pursuant to subdivision (a). Except with the consent of the board, the amount of the deduction shall not be changed during the course of the meeting.

19612.
(a) Except as otherwise provided, every association which conducts a quarter horse race meeting or a harness horse race meeting shall pay a daily license fee at the rate of 0.4 percent of its daily conventional and exotic parimutuel handle.
(b) With respect to quarter horse meetings, all funds remaining from the deductions provided in Sections 19491, 19491.5, and 19610 after distribution of the license fee, shall be distributed 55 percent as commissions and 45 percent as purses. With respect to harness meetings, except for meetings conducted pursuant to Sections 19549.2 and 19549.6, the funds remaining from deductions provided in Section 19610, after distribution of the license fee, shall be distributed 59.5 percent as commissions and

40.5 percent as purses. For harness meetings conducted pursuant to Sections 19549.2 and 19549.6, the funds remaining from deductions provided in Section 19610, after distribution of the license fee, shall be distributed 50 percent as commissions and 50 percent as purses.
(c) Every association that conducted a quarter horse or Arabian horseracing meeting in the southern zone during the daytime prior to January 1, 1979, and thereafter conducts the meeting at night, shall be entitled to the following license fee adjustment:
For each 1 percent that the association's average daily handle in the 1981 year, during the period from the commencement of the meeting to December 25, falls below its 1980 average daily handle during the same period, the amount of the license fee as set forth in subdivision (a) shall be reduced by 2 percent.
(d) Any association qualified to operate its meetings pursuant to Section 19612.6 shall be entitled to continue to distribute license fees, commissions, and purses as provided by that section.
(e) Notwithstanding subdivision (b), for every association that conducts a quarter horse meeting in the northern zone, the amount remaining after deduction of the state license fee shall be distributed between commissions and purses as agreed to by the association conducting the meeting and the organization representing the horsemen participating at the meeting. Every association conducting a quarter horse meeting in the northern zone may deduct an additional amount up to 1 percent of its conventional and exotic parimutuel pools to be distributed as commissions. The association may also deduct an additional 1 percent from the exotic parimutuel pools to be distributed as commissions and purses as agreed to by the association conducting the meeting and the organization representing the horsemen participating at the meeting.

19612.1.
(a) In addition to the amounts otherwise deducted pursuant to this chapter, every association with an average daily handle of more than seven hundred fifty thousand dollars ($750,000) that conducts a harness, quarter, Arabian, or Appaloosa horse meeting may deduct from the total amount handled in daily double, quinella, exacta, and other multiple wagering pools approved by the board up to 3 percent thereof to be distributed as additional commissions and purses in the following percentage ratio: to the association as additional commissions, not more than 59.5 percent; and to the horsemen, as additional purses, not less than 40.5 percent, except that the association and the horsemen's organization may agree to a different distribution by percentage of these funds.
(b) From the amount deducted for quarter horse purses under subdivision (a), a sum equal to 25 percent thereof shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
The board shall designate the official registering agency representing quarter horse horsemen to administer this subdivision and to distribute premiums. The agency may, with the approval of the board, make a deduction for expenses not to exceed 10 percent of the total awards fund.
(c) From the amount deducted for Arabian horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency, pursuant to Section 19617.8, and thereafter shall be distributed in accordance with Section 19617.8. The board shall designate the officially recognized organization representing Arabian horsemen to administer this subdivision and to distribute premiums. The organization may, with the approval of the board, make a deduction for expenses not to exceed 10 percent of the total awards fund.
(d) From the amount deducted for Appaloosa purses under subdivision (a), a sum equal to 13.33 percent thereof shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9.
The board shall designate the official registering agency representing Appaloosa horsemen to administer this subdivision and to distribute premiums. The agency may, with the approval of the board, make a deduction for expenses of up to, but not to exceed, 10 percent of the total awards fund.
(e) At least 30 days prior to the commencement of its meeting, the association shall file with the board a

statement of the additional deduction to be made pursuant to subdivision (a). Except with the consent of the board, the amount of the deduction shall not be changed during the course of the meeting.
(f) In addition to the amounts otherwise deducted pursuant to this section, every harness racing association shall deduct an additional 2 percent of its exotic parimutuel pools to be distributed equally as commissions and purses.

19612.2.
(a) In addition to the amounts otherwise deducted pursuant to this chapter, every association with an average daily handle of seven hundred fifty thousand dollars ($750,000) or less, except an association subject to Section 19614.2, which conducts a harness, quarter, Arabian, or Appaloosa horse meeting may deduct from the total amount handled in its daily exotic parimutuel pool up to 3 percent thereof to be distributed as additional commissions and purses as follows:
(1) For quarter horse meetings conducted other than pursuant to Section 19612.6 and for Appaloosa horse meetings, as agreed to by the association conducting the meeting and the organization representing the horsemen participating at the meeting.
(2) For harness and quarter horse meetings conducted pursuant to Section 19612.6, 50 percent as commissions and 50 percent as purses.
(b) From the amount deducted for quarter horse purses under subdivision (a), a sum equal to 25 percent thereof shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
The board shall designate the official registering agency representing quarter horse horsemen to administer this subdivision and to distribute premiums. The agency may, with the approval of the board, make a deduction for expenses not to exceed 10 percent of the total awards fund.
(c) From the amount deducted for Arabian horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency, pursuant to Section 19617.8, and thereafter shall be distributed in accordance with Section 19617.8.
The board shall designate the officially recognized organization representing Arabian horsemen to administer this subdivision and to distribute premiums. The organization may, with the approval of the board, make a deduction for expenses not to exceed 10 percent of the total awards fund.
(d) From the amount deducted for Appaloosa purses under subdivision (a), a sum equal to 13.33 percent thereof shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9.
The board shall designate the official registering agency representing Appaloosa horsemen to administer this subdivision and to distribute premiums. The agency may, with the approval of the board, make a deduction for expenses not to exceed 10 percent of the total awards fund.
(e) At least 30 days prior to the commencement of its meeting, the association shall file with the board a statement of the additional deduction to be made pursuant to subdivision (a) and its distribution between commissions and purses. Except with the consent of the board, the amount of the deduction and its distribution shall not be changed during the course of the meeting.
(f) In addition to any deductions pursuant to this section, every harness racing association shall also deduct an additional 2 percent of its daily exotic parimutuel pool to be distributed equally as commissions and purses.

19612.3.
(a) Notwithstanding any other provision of law, with respect to harness racing associations other than those conducting a meeting pursuant to Section 19612.6, an additional 1 percent of the parimutuel pool shall be retained and shall be distributed equally between purses and commissions.
(b) With respect to harness racing associations conducting a meeting pursuant to Section 19549.2 or

19612.6, an additional 1 percent of the parimutuel pool shall be retained and shall be distributed as additional commissions.

19612.6.
(a)(1) For harness meetings, the amount remaining after deduction of the state license fee shall be distributed equally between commissions and purses. For quarter horse, Appaloosa, and muleracing meetings, the amount remaining after deduction of the state license fee pursuant to Section 19612 shall be distributed between commissions and purses as agreed to by the association conducting the meeting and the organization representing the horsemen or mulemen participating in the meeting. For fair meetings conducted pursuant to Section 19549, the amount remaining after deduction of the state license fee pursuant to Section 19612 shall be distributed 48 percent to commissions and 52 percent to purses.
(2) Every association which conducts a racing meeting pursuant to Section 19549 shall, in addition, deduct from its parimutuel pools the amount specified in subdivision (d) of Section 19614.
(b) If an association qualified to operate its meeting pursuant to this section conducts two separate programs of racing on any day, each such program shall be considered a separate racing day for purposes of deter- mining the daily handle and computing the distribution of license fees, commissions, and purses thereon. For the purposes of this subdivision, a program shall consist of at least nine races.
(c) In addition to any deductions pursuant to this section, every association conducting a racing meeting pursuant to Section 19549.1 shall also deduct an additional 1 percent of its parimutuel pools to be distributed as commissions.
(d) In addition to any deductions pursuant to this section, every association conducting a racing meeting pursuant to Section 19549.1 shall also deduct an additional 2 percent of its exotic parimutuel pools to be distributed equally as commissions and purses.

19612.7.
With respect to a harness race meeting, in addition to any other distributions, a portion of the money allocated for purses pursuant to this chapter may be used to pay for obtaining, providing, or defraying the cost of workers' compensation coverage for stable employees and drivers of licensed standardbred trainers. This portion of the purse money, if any, shall be specified in a written agreement between the racing association that conducts the live harness race meeting and the organization representing the horsemen participating at the race meeting, and shall be jointly administered by the racing association and the organization representing the horsemen. This agreement is subject to the approval of the board.

19612.8.
Notwithstanding any other provision of law, any association conducting a racing meeting shall pay not less than the actual amount necessary to cover the costs for compensation, including any fringe benefits, to stewards and official veterinarians and to cover the costs for that racing meeting, as provided by the board under Section 19518.

19612.9.
(a) (1) Except as provided in subdivision (d) of Section 19601, unclaimed refunds shall be distributed to the organization that is responsible for negotiating purse agreements, satellite wagering agreements, and all other business agreements on behalf of the horsemen participating in the racing meeting for the purpose of negotiating, in good faith, an agreement of at least three years' duration with a jockeys' organization to provide health and welfare benefits to California licensed jockeys, former California licensed jockeys, and their dependents if those persons contribute to the plan and do not receive welfare benefits pursuant to Section 19613.
(2) The amount of money distributed annually pursuant to this section shall be held in trust solely for the purpose described in this section and shall not exceed four hundred fifty thousand dollars ($450,000), adjusted annually for inflation. The board shall determine the inflation adjustment based on an index

quantifying changes in the cost of health insurance benefits.
(3) If an agreement is not reached before the regular meeting of the board in November of any calendar year, the board, on its own motion, shall provide that the provisions of the existing agreement, if any, shall remain in effect until a subsequent agreement is reached.
(b) The jockeys' organization referred to in subdivision (a) shall represent a majority of the jockeys licensed by the board, and the board shall initially certify that the organization represents the majority of those licensed jockeys. The organization shall maintain an office in this state. The organization certified by the board shall provide an annual audit of the health and welfare fund established pursuant to this section. The organization shall make available to the board all records and documents necessary for the performance of its duties.
(c) The jockeys' organization certified by the board shall develop reason- able nondiscriminatory criteria for eligibility for health and welfare benefits.
(d) The agreement shall be approved by the board and, if approved, no other entity licensed in this state shall be required to enter into an agreement for the purposes of this section.

19613.
(a) Except as provided in subdivisions (b), (c), (d), (e), and (f), the portion deducted for purses pursuant to this chapter shall be paid to or for the benefit of the horsemen and horsewomen at the racing meeting, and may include obtaining, providing, or defraying the cost of workers' compensation coverage for stable employees and jockeys of licensed trainers. For purposes of this section, the trainers' organization referred to in subdivisions (b), (c), and (d), known as the California Thoroughbred Trainers, Inc., shall be the plan sponsor, consistent with the definition set forth in Section 3 of the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(16)(B)), as amended.
(b) Any association other than a fair that conducts a thoroughbred racing meeting shall pay to the owners' organization contracting with the association with respect to the conduct of racing meetings for administrative expenses and services rendered to owners, an amount not to exceed two-thirds of 1 1⁄2 percent of the portion, and to a trainers' organization for administrative expenses and services rendered to trainers and back- stretch employees an amount equivalent to one-third of 1 1⁄2 percent of the portion. That association shall also pay an amount for a pension plan for backstretch personnel to be administered by the trainers' organization equivalent to an additional 1 percent of the portion. The remainder of the portion shall be distributed as purses.
(c) Any other association may pay to the horsemen's organization contracting with the association with respect to the conduct of racing meetings for administrative expenses and services rendered to horsemen an amount out of the portion as may be determined by the association by agreement or otherwise, but, in all events, shall include, relative to a thoroughbred horsemen's organization racing, 1 percent of the portion for a pension plan for the trainers' organization. The remainder of the portion shall be distributed as purses.
(d)(1) Notwithstanding subdivisions (b) and (c), any association conducting a fair racing meeting shall pay to the horsemen's organizations contracting with the association with respect to the conduct of races for their respective breeds of horses at the meetings for administrative expenses and services rendered to their respective horsemen those amounts out of the portion as determined by the horsemen's organization for the respective breeds with the approval of the board. Pursuant to this subdivision, amounts not to exceed 3 percent of the portion for the owners' and trainers' organizations shall be distributed to any thoroughbred owners' and trainers' organizations contracting with an association for a fair racing meeting or participating in mixed breed racing meetings as follows: two-thirds of 1 percent to the owners' organization and one-third of 1 percent to the trainers' organization for administrative expenses and services rendered to both owners and trainers, 1 percent for welfare funds, and 1 percent for a pension program for backstretch personnel, to be administered by the thoroughbred trainers' organization.
(2) For purposes of subdivisions (b) and (c) and paragraph (1), the 1 percent amount for a pension plan or program may include all reasonable, documented administrative expenses attributable to the pension

plan or program, including, but not limited to, the establishment, amendment, operation, or termination of the pension plan or program.
(e) Any association other than a fair that conducts a quarter horse racing meeting shall pay to the horsemen's organization contracting with the association with respect to the conduct of racing meetings for administrative expenses and services rendered to horsemen, an amount not to exceed 3 percent of the portion. The remainder of the portion shall be distributed as purses.
(f) For racing meetings other than thoroughbred meetings, if no contract has been signed between the association conducting the racing meeting and the organization representing the horsemen by the time the racing meeting commences, the distribution of purses shall be governed by the following:
(1) If the association conducted a racing meeting within the past 15 months and a contract was in existence, for that meeting with the horse- men's organization and the association is conducting a subsequent meeting for the same breed or mixed breeds, the amounts payable to the horsemen's organization under subdivision (c) shall be computed under the provisions of the last signed contract between the parties.
(2) This subdivision applies regardless of the cause of the failure to execute a contract, whether that failure is a result of inadvertence or otherwise.
(3) For racing meetings that do not come within paragraph (1), the board shall, within 15 days after the commencement of the racing meeting, determine the amounts payable to the horsemen's organization for administrative expenses and services, and provide for the direct payment of those amounts.
(g) Amounts distributed pursuant to this section are derived from owners' purses.
(h) For the purposes of this section, the following definitions shall apply:
(1) "Owner" means a person currently licensed by the board as an owner of a thoroughbred racehorse.
(2) "Trainer" means a person currently licensed by the board as a trainer of a thoroughbred racehorse.
(i) This section shall become operative on January 1, 2008.

19613.1.
(a) With respect to thoroughbred racing, except as provided in subdivision (b), the board shall determine which matters shall be the subject of negotiation and contract between the owners' organization and the association, and which matters shall be the subject of negotiation and contract between the trainers' organization and the association.
(b) The owners' organization shall generally be responsible for negotiating purse agreements, satellite simulcast agreements, and all other business agreements relating to the conduct of racing that affect the owners. The trainers' organization shall generally be responsible for negotiating issues relating to the backstretch, track safety, and the welfare of backstretch employees.
(c) The board shall resolve issues that are not settled between the associations and the organizations representing owners and trainers.

19613.2.
(a) Any horsemen's owners', or trainers' organization or organization representing horsemen, owners, or trainers shall be incorporated under the laws of the State of California in order to receive a distribution or deduction under this chapter. Each corporation shall represent a majority of the horsemen, owners, or trainers in the state with respect to the breed of horses the corporation represents. The board shall initially determine the organization that represents California horsemen with respect to each breed. Any distribution or deduction received by any of those organizations shall be used only for the benefit of California horsemen.
(b) No portion of the amount distributed pursuant to Section 19613 to an owners', trainers', or horsemen's organization shall be used for the purpose of making contributions to candidates for public office, or to urge or oppose any measure on the ballot. The organizations representing owners, trainers, and horsemen may expend no more than the amount reasonably necessary to represent its members before the Legislature and the board with respect to issues that directly affect services rendered to owners,

trainers, and horsemen. The board shall annually review the budgets of the organizations representing owners, trainers, and horsemen and shall determine the appropriate amount to be expended for providing the representation authorized by this subdivision.
(c) If an owners', trainers', or horsemen's organization is conducting itself contrary to statute, regulation, or order of the board, the board may take disciplinary action against the organization, including ordering an association to withhold any distribution authorized pursuant to Section 19613.
(d) Upon recognition by the board of a successor horsemen's owners', or trainers' organization or organization representing horsemen, owners, or trainers, the board shall apportion those assets which were generated pursuant to Section 19613 for the benefit of the horsemen and the successor organization.

19613.5.
Notwithstanding any other provision of this chapter, of the amount deducted for license fees, commissions, and purses from parimutuel pools at a racing meeting an amount may be retained and distributed for payment of any actual losses sustained at the meeting on parimutuel minus pools prior to the distribution of license fees, commissions, and purses. The proportion of license fees, commissions, and purses distributed for payment of such parimutuel minus pools shall be in the same proportion as they would be distributed in the provision under which they were deducted.
19613.6.
Notwithstanding any other provision of this chapter, the owners' organization referred to in subdivision (a) of Section 19613.2 that represents thoroughbred owners may elect to contribute the purses from one race conducted annually by each licensed thoroughbred racing association or fair to a welfare fund. The contribution shall be used for the benefit of horsemen, and the trainers' organization shall make an accounting to the board within one calendar year of the receipt of the contribution. The designation of a specific race from which the horsemen elect to contribute the purses is subject to the mutual agreement of the horsemen's organization and the racing association or fair that conducts the race.

19613.8.
Within 60 days of a statewide majority of backstretch workers having chosen to be represented by an exclusive collective bargaining agent pursuant to Article 2.5 (commencing with Section 19455) or any other law, and so long as a majority continues to be represented by the agent, that agent shall designate two representatives to replace two of the members if the CHBPA Pension Administrative Committee and the plan document shall be amended to provide for this representation.

19614.
(a) Notwithstanding Sections 19611 and 19612, and except for an association that qualifies pursuant to Section 19612.6, for a fair conducting a live racing meeting, 1 percent of the total amount handled on live races, excluding wagering at a satellite facility, shall be retained by the fair association for payment to the state as a license fee.
(b) Additionally, 0.48 percent of the total amount handled on live racing, excluding wagering at a satellite facility, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.
(c)(1) After distribution of the applicable amounts as set forth in subdivisions (a) and (b) and the payments made pursuant to other relevant sections of this chapter, all funds remaining from the deductions provided in Section 19610 shall be distributed 47.5 percent as commissions and 52.5 percent as purses. From the amount distributed as thoroughbred purses, a sum equal to 0.07 percent of the total handle shall be held by the association to be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.

(2) Any additional amount generated for purses and not distributed during the previous corresponding meeting shall be added to the purses at the current meeting.
(d) In addition to the amounts deducted pursuant to Section 19610, any fair racing association shall deduct 1 percent from the total amount handled in its daily conventional and exotic parimutuel pools. The additional 1 percent shall be deposited into the Fair and Exposition Fund and is hereby appropriated for the purposes specified in Section 3204 of the Food and Agricultural Code, except as specified in subdivision (e).
(e)(1) A fair conducting a live racing meeting at a fair in the northern zone or a joint powers authority designated by a fair racing association in the northern zone involved in conducting live racing meetings at fairs in the northern zone may retain the funds described in subdivision (d) for the purposes of improving a fair enclosure, racetrack maintenance, safety at fairs, or other similar activities if both of the following conditions are satisfied:
(A) The administrative costs do not exceed 7.5 percent of the funds retained.
(B) An annual audit of the funds is conducted by an independent third party to ensure compliance with the law and approved standards and policies that shall be filed with the Department of Food and Agriculture, the board, and the Senate and Assembly Committees on Governmental Organization.
(2) This subdivision shall apply retroactively to January 1, 2016.

19614.2.
(a) In addition to the amounts otherwise deducted pursuant to this chapter, a fair, or an association conducting its meeting pursuant to Section 19549.1, may deduct from the total amount handled in daily double, quinella, exacta, and other multiple wagering pools approved by the board up to 3 percent thereof to be distributed as additional commissions and purses in the current year of the fair meet. Of the amount deducted, if any, 52.5 percent shall be distributed as additional purses and 47.5 percent shall be distributed as additional commissions. From the amount distributed as thoroughbred purses, a sum equal to 0.07 percent of the total amount handled shall be held by the association to be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.
(b) At least 30 days prior to the commencement of its meeting, the association shall file with the board a statement of the additional deduction to be made pursuant to subdivision (a). Except with the consent of the board, the amount of the deduction shall not be changed during the course of the meeting.
(c) From the amount deducted for quarter horse purses under subdivision (a), a sum equal to 25 percent thereof shall be paid as breeder premiums and owners' and stallion awards as provided in Section 19617.7, shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7, and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
(d) From the amount deducted for Arabian horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency, pursuant to Section 19617.8, and thereafter shall be distributed in accordance with Section 19617.8. The board shall designate the officially recognized organization representing Arabian horsemen to administer this subdivision and to distribute premiums. The organization may, with the approval of the board, make a deduction for expenses of up to, but not to exceed, 10 percent of the total awards fund.
(e) From the amount deducted for Appaloosa horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be paid as breeder premiums and owners' and stallion awards as provided in Section 19617.9, and shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9, and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9.
(f) Amounts distributed pursuant to this section are derived from owners' purses.

19614.3.
(a) Notwithstanding any other provision of law, a racing association and the organization representing horsemen may agree to reduce the portion deducted from the parimutuel pool for purses and commissions, provided that the change only affect funds available for purses and commissions.
(b) Any collective bargaining agreement that is premised in part on the amount of commissions earned shall continue to be calculated based on the amount of commissions that would have been earned had this section not become law.
(c) An agreement by a horsemen's organization and a racing association to reduce the portion deducted from the parimutuel pool for purses and commissions is subject to the approval of the California Horse Racing Board, and may not be approved unless notice has been given to any labor organization that could be affected by the agreement.

19614.4.
(a) Notwithstanding any other provision of law and in addition to any amounts provided for purses by any other provision of this chapter, from the amount deposited with the official registering agency for distribution pursuant to Section 19617.2, the official registering agency shall make the following distributions as owners' premiums:
(1) An amount equal to 20 percent of the winner's share of the purse for a qualifying race, as defined in paragraph (2) of subdivision (b) of Section 19617, shall be distributed as an owner premium to the owner of a registered California-bred thoroughbred horse conceived by a registered eligible thoroughbred stallion, as provided in subdivision (d) of Section 19617, which finishes first in the race.
(2) An amount equal to 10 percent of the winner's share of the purse for a qualifying race, as defined in paragraph (2) of subdivision (b) of Section 19617, shall be distributed as an owner premium to the owner of a registered California-bred thoroughbred horse that finishes first in the race and that was not conceived by a registered eligible thoroughbred stallion as provided in subdivision (d) of Section 19617, which finishes first in the race.
(b) The official registering agency shall develop a policy for the payment of owner premiums pursuant to paragraphs (1) and (2) in the event of a dead heat that involves one or more registered California-bred horses.
(c) From the amounts distributed as purses pursuant to this chapter, the organization responsible for negotiating purse agreements on behalf of thoroughbred horsemen participating in racing meetings, at its discretion, may pay an owner's premium for a qualifying race, as defined by the organization, to the owner of a registered California-bred thoroughbred that finishes first through fifth in the qualifying race. Notwithstanding the foregoing, these payments shall be not less than the amount of the total payments made by the organization in 1998, and the discretion accorded the organization pursuant to this subdivision shall be exercised on a statewide basis for all racing meetings.
(d) The organization responsible for negotiating purse agreements on behalf of thoroughbred horsemen participating in racing meetings shall pay, from purse revenues generated, to the official registering agency for the purpose of the California-bred bonus program an amount equal to the amount determined in paragraph (3) of subdivision (b) of Section 19617.2, not to exceed two million dollars ($2,000,000) annually, and that amount shall be used for California-bred incentive awards.

19614.6.
Notwithstanding Section 19614, any county fair in the central zone that conducted fair racing meetings prior to January 1, 1980, commencing with the 2006 racing season, may retain that portion of the license fee applicable to its live racing meeting that exceeds the amount of license fees paid during its 2004 live racing meeting for payment of a capital expense loan incurred for the purpose of improving its facilities for horse racing. The license fee retention shall be applicable only during the loan period, only in an amount equal to the loan payments, and only if all the moneys retained are used to pay off the loan for those capital expenses. Any portion of the license fee in excess of the amount needed to make loan

payments pursuant to this section shall be deposited in the Fair and Exposition Fund. However, it after the effective date of this section, the rate of the license fee imposed on fairs is reduced, the county fair may retain that portion of the license fee applicable to its live racing meeting that exceeds the amount of the license fees that would have been paid on its 2004 live racing meeting at the reduced rate.

19615.
(a) The board shall provide a method for estimating the aggregate handle for each association's proposed race meeting. Estimates may be revised during the course of the meeting. Based upon the estimate, each association shall pay its license fee weekly, and purses shall be reason- ably allocated over the period of the association's anticipated race meeting pursuant to a purse program developed by the association in consultation with the horsemen's organization contracting with the association with respect to the conduct of racing meetings subject to approval of the board.
(b) Within seven days after the close of a race meeting, an association shall pay any license fee theretofore unpaid, or shall have refunded to it any excess license fee theretofore paid.
(c) If, at the close of a thoroughbred racing meeting, it is determined that the association conducting the meeting has not made payments to or for the benefit of owners and breeders of horses in an amount equaling the percentages set forth in this chapter, any excess shall be deducted from, and any deficiency not in excess of an amount agreed upon between the association and the horsemen's organization contracting with the association with respect to the conduct of racing meetings shall be added to, the amount the association is required to pay to or for the benefit of owners and breeders of horses at its racing meeting in the following calendar year. Any deficiency in excess of the amount agreed upon shall be distributed as provided in the agreement.
(d) If, at the close of any other racing meeting, it is determined that the association conducting the meeting has not made payments to or for the benefit of owners and breeders of horses in an amount equaling the percentages set forth in this chapter, any excess shall be deducted from, and any deficiency shall be added to, the amount the association is required to pay to or for the benefit of owners and breeders of horses at its racing meeting in the following calendar year.
(e) Any two associations conducting a meeting pursuant to Section 19612 or 19612.6 may, with the approval of the board, combine their excesses or deficiencies from prior meetings if the associations and the organizations representing the horsemen all agree.
(f) Any associations conducting a harness meeting in the northern zone, including an association conducting any meeting pursuant to Section 19549.3, may, with the approval of the board, combine their excesses or deficiencies from prior meetings if the associations and the organizations representing horsemen all agree.

19616.
(a) Notwithstanding any other provision of law, wagers accepted on out-of-state or out-of-country races pursuant to Sections 19596 and 19596.2, or on any multiple race exotic wager involving out-of-state races that is designated as a national wager, but not included in the parimutuel pool or pools of the entity conducting the out-of-state or out-of-country racing, shall be placed in a separate parimutuel pool or pools and shall be distributed as provided by this section.
(b) Each association accepting wagers on an out-of-state or out-of- country race shall deduct a percentage of the amount handled in its conventional and exotic parimutuel pools that is equal to the percentage deducted from the amount handled by the association in its parimutuel pools at its racing meeting.
(c) Each association shall pay a state license fee and make other distributions in accordance with Section 19601.
(d) The amount remaining from the deduction under subdivision (b), after payment of the state license fee and the contractual payment to the out-of-state host racing association, shall be distributed in accordance with applicable provisions of Section 19601.

(e) From the amount distributed under subdivision (d) for Appaloosa purses, a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9, and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9.
(f) From the amount distributed under subdivision (d) for quarter horse purses, a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7, and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
(g) From the amount distributed under subdivision (d) for Arabian purses, a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency, pursuant to Section 19617.8, and shall thereafter be distributed in accordance with Section 19617.8.

19616.1.
(a) Notwithstanding any other provision of law, wagers accepted on out-of-state or out-of-country races pursuant to Section 19596 or 19596.2, or on any multiple race exotic wager involving races from out of state that is designated by the board as a national wager and included in the parimutuel pool or pools of the entity conducting the racing shall be distributed as provided in this section.
(b) From the amount handled by the association and included in the parimutuel pool or pools of the entity conducting the out-of-state or out-of-country racing, each association may, with the permission of the board, deduct a percentage equal to the percentage deducted by the entity conducting the out-of-state or out-of-country racing.
(c) From the amount deducted pursuant to subdivision (b), if any, each association shall pay a state license fee and make other distributions in accordance with Section 19601.
(d) The amount remaining from the deduction under subdivision (b), if any, after payment of the state license fee and the contractual payment to the out-of-state or out-of-country host racing association, shall be distributed in accordance with the applicable provisions of Section 19601.
(e) From the amount distributed under subdivision (d) for Appaloosa purses, a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.9, and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.9.
(f) From the amount distributed under subdivision (d) for quarter horse purses, a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7, and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
(g) For the purposes of subdivisions (a) and (b), with respect to any multiple race exotic wager involving races from out of state that is designated by the board as a national wager, the totalizator hub for the wager shall be considered the “entity conducting the racing.”
(h) Notwithstanding any other provision of law, if a thoroughbred association conducting a racing meeting in this state accepts wagers on a race that is part of a national wager as designated by the board, or acts as the totalizer hub pursuant to subdivision (g), the association shall not be required to pay a license fee to the state on those wagers. Amounts received by the association from the wagering shall be distributed 50 percent as commissions and 50 percent as purses to the horsemen and horsewomen participating in the racing meeting.
(i) From the amount distributed under subdivision (d) for Arabian purses, a sum equal to 13.33 percent thereof shall be held by the association to be deposited with the official registering agency, pursuant to Section 19617.8, and shall thereafter be distributed in accordance with Section 19617.8.

19616.2.
(a) Except as provided in Section 19616.1, an association conducting wagering on an out-of-state feature race that is included in the parimutuel pool of the out-of-state entity conducting the out-of-state racing

shall deduct a percentage equal to the percentage deducted from the amount handled by the association in its parimutuel pools at its racing meeting.
(b) An association that accepts wagers in a common parimutuel pool on an out-of-state feature race and deducts a percentage equal to that deducted from the amount handled by the association in its parimutuel pool at its racing meeting, as specified in subdivision (a), shall calculate payments on winning tickets as provided in Section 19602.

19616.51.
(a) Notwithstanding any other law, and in lieu of any license fee payable to the state prescribed for or referred to in Section 19491, 19491.5, 19596.3, 19601, 19601.2, 19602, 19603, 19604, 19605.25, 19605.35, 19605.45, 19605.6, 19605.7, 19605.71, 19606.5, 19606.6,
19610.8, 19611, 19612, 19614, 19616, 19616.1, 19616.2, or 19641, any association or fair that conducts a racing meeting shall only pay its proportional amount, as determined by the formula devised pursuant to paragraph (1), as a license fee to the state, to be deposited into the Horse Racing Fund, which is hereby established, to fund the board and the equine drug testing program as follows:
(1) All racing associations and fairs including all breeds of racing shall participate in the funding of the board in accordance with a formula devised by the board in consultation with the industry.
(2) The baseline funding for the board and equine drug testing program in the first fiscal year after the enactment of this section shall be the amount approved in the 2008-09 Budget Act.
(3) Adjustments to the funding in subsequent budget years may only be made by an act of the Legislature.
(b) The license fee reductions resulting from subdivision (a), after payments to fund the board and the equine drug testing program, shall be distributed as follows:
(1) For thoroughbred racing only, 3 percent of the amount of the reduction shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. The remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:
(A) Fifty percent to the association as commissions.
(B) Fifty percent to the horsemen as purses.
(2) For quarter horse racing, 3 percent of the amount of the reduction shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7, and shall thereafter be distributed in accordance with subdivisions (c), (d), (e), and (f) of Section 19617.7, the remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:
(A) Fifty percent to the association as commissions.
(B) Fifty percent to the horsemen as purses.
(3)For harness racing, 6 percent of the amount of the reduction shall be distributed as specified in Section 19617.6, the remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:
(A) Fifty percent to the association as commissions.
(B) Fifty percent to the horsemen as purses.
(4) For all other breeds, the remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:
(A) Fifty percent to the association as commissions.
(B) Fifty percent to the horsemen as purses.

19617.
The following definitions shall govern the construction of this section and Section 19617.2:
(a) “Breeder” means a person who is registered as a breeder of a California-bred thoroughbred with the

official registering agency and is named on the applicable Certificate of Registration issued by the Jockey Club of New York.
(b) “Qualifying race” means the following:
(1) In the case of breeder awards, all races in this state, all graded stakes races conducted within the United States, and other stakes races as designated by the official registering agency.
(2) As qualified by paragraph (5), in the case of owner premiums, certain claiming races, as defined by paragraph (4), and all allowance races, including maiden special weights. No owner premiums shall be paid on California-bred restricted races pursuant to Section 19568.
(3) As qualified by paragraph (5), in the case of stallion awards, all nonclaiming races and certain claiming races, if the nonclaiming races and the certain claiming races are conducted in this state during racing meetings where more than one-half of the races on every racing program are for thoroughbreds, all graded stakes races conducted within the United States, and other stakes races as designated by the official registering agency.
(4) “Certain claiming races” means thoroughbred races in the central and southern zone with a minimum claiming level of forty thousand dollars ($40,000) for winners and thoroughbred races in the northern zone with a minimum claiming level of twenty thousand dollars ($20,000) for winners.
(5) No owner premium or stallion award shall be paid on races with purses of less than fifteen thousand dollars ($15,000). In determining whether a race complies with the definition in paragraph (4), the official registering agency shall base its determination on the actual amount of the purse at the time the race was conducted and shall not take into consideration any postrace adjustments to that purse.
(c) “Eligible earnings” means the following:
(1) In the case of breeder awards, the annual amount earned by a California-bred thoroughbred for finishing first, second, or third in qualifying races.
(2) In the case of owner premiums, the annual amount earned by a California-bred thoroughbred for winning qualifying races.
(3) In order for earnings from a qualifying race to be considered as eligible earnings, a California-bred thoroughbred shall be registered as such with the official registering agency before the date entries were taken by the association for the qualifying race in which that horse earned purse money.
(4) In the case of stallion awards, the annual amount earned by California- conceived or California-bred foals of an eligible thoroughbred stallion in winning qualifying races plus the amount earned by those foals for finishing second or third in a stakes race in this state, for finishing first, second, or third in a graded stakes race within the United States, and for finishing first, second, or third in other stakes races as designated by the official registering agency.
(5) For purposes of this section, the maximum purse considered earned in any qualifying race within this state shall be three hundred thirty thousand dollars ($330,000) for a win, one hundred twenty thousand dollars ($120,000) for a second, and ninety thousand dollars ($90,000) for a third place finish and the maximum purse considered earned in any qualifying race outside of this state shall be one hundred sixty-five thousand dollars ($165,000) for a win, sixty thousand dollars ($60,000) for a second, and forty-five thousand dollars ($45,000) for a third place finish.
(6) In determining the purse earned in any qualifying race that is a stakes race, the amount earned shall be based solely on the added money, with no consideration to be given to other sources of the purse, such as nomination, entry, or starting fees, bonuses, and sponsor contributions, or any combination thereof.
(7) On or before February 15 of any year, it is the ultimate responsibility of the stallion owner to advise the official registering agency of any and all purses earned during the preceding year that shall be considered in determining the amount of the stallion award to which the owner is entitled.
(8) On or before February 15 of any year, it is the ultimate responsibility of the breeder to advise the official registering agency of any and all purses earned during the preceding year in graded stakes races outside of this state by horses bred by breeder.
(d) “Eligible thoroughbred stallion” means a thoroughbred stallion that was continuously present in this state from February 1 to June 15, inclusive, of the calendar year in which the qualifying race was

conducted, and if the sire left this state after June 15 of the calendar year in which the qualifying race was conducted, the sire returned to and was present in this state by February 1 of the following calendar year and thereafter remained until June 15 of that year. If a sire dies in this state and stood his last season at stud in this state, he shall thereafter continue to be considered an eligible thoroughbred stallion.
(1) Notwithstanding any provision to the contrary, a thoroughbred stallion shall be considered an eligible thoroughbred stallion only if its owner has filed a claim for stallion award on or before February 15 of the calendar year immediately following the calendar year for which the awards are being distributed and is registered with the official registering agency.
(2) The official registering agency shall establish procedures for the registration of stallions and may charge a fee for that registration.
(3) This subdivision shall apply only to thoroughbred stallions standing at stud in this state before January 1, 2010, and as to foals conceived in this state before January 1, 2010.
(e) “Eligible thoroughbred stallion” means a thoroughbred stallion that was continuously present in this state from February 1 to June 15, inclusive, of the year 2010 or any subsequent calendar year in which he stood at stud and fathered the participant in the race. If a sire dies in this state in the year 2010 or any subsequent year and stood his last season at stud in this state, or was standing at stud in this state on the date of his death in the year 2010 or any subsequent year, he shall thereafter continue to be considered an eligible thoroughbred stallion regarding a race participant fathered by him in that season.
(1) Notwithstanding any provision to the contrary, a thoroughbred stallion shall be considered an eligible thoroughbred stallion only if the stallion owner has filed a claim for stallion award on or before February 15 of the calendar year immediately following the calendar year for which the awards are being distributed and the stallion and the stallion owner are registered with the official registering agency.
(2) The official registering agency shall establish procedures for the registration of stallions and stallion owners and may charge a fee for that registration.
(3) This subdivision shall apply only to thoroughbred stallions standing at stud in this state on or after January 1, 2010, and as to foals conceived in this state on or after January 1, 2010.
(f) “Official registering agency” means the California Thoroughbred
Breeders Association.
(g) “Owner” means the person who is registered with the paymaster of purses on the date the qualifying race was conducted as the owner of the California-bred thoroughbred earning purse money in that race.
(h) “Quotient,” for any fund, means the amount allocated to that fund pursuant to subdivision (b) of Section 19617.2 divided by the aggregate eligible earnings of the horses applicable to that fund. In calculating the quotient for each of the funds, any retroactive purse payments with respect to a race shall not be considered after the disbursement of the fund.
(i) “Stallion owner” means the person who is the owner of the eligible thoroughbred stallion as of December 31 of the calendar year in which that sire’s foals had eligible earnings or the person who owned the eligible thoroughbred sire on the date that the stallion died. This subdivision shall only apply to thoroughbred stallions standing at stud in this state before January 1, 2010, and as to foals conceived in this state before January 1, 2010.
(j) “Stallion owner” means the person who is the owner of the eligible thoroughbred stallion as of December 31 of each calendar year in which the eligible thoroughbred stallion stands at stud in this state as to all of that sire’s foals (1) that were conceived in this state in that calendar year and (2) that thereafter have eligible earnings. If the eligible thoroughbred stallion dies prior to December 31 of a year in which that stallion stands at stud in this state, the person who owned the eligible thoroughbred stallion on the date that the stallion died shall be the stallion owner for that year. This subdivision shall only apply to thoroughbred stallions standing at stud in this state on or after January 1, 2010, and as to foals conceived in this state on or after January 1, 2010.

19617.2.
(a) Except as otherwise provided in this chapter, any association conducting a race meeting that includes thoroughbred racing shall deposit with the official registering agency 0.54 percent of the total amount

handled ontrack in daily conventional and exotic parimutuel pools resulting from thoroughbred wagers made in this state. These deposits shall be made at the following intervals:
(1) For any meeting of 20 racing days or less, the requisite deposit shall be made not later than seven days immediately following the last day of that meeting.
(2) For any meeting of more than 20 racing days, the initial deposit shall be made not later than 27 racing days after the commencement of that meeting and every 20 racing days thereafter, with a final deposit made not later than seven days following the last day of that meeting. The initial deposit for that meeting shall be based upon the applicable amount handled during the first 20 racing days of the meeting, and deposits thereafter shall be based upon the applicable amount handled during the ensuing periods of 20 racing days with the last deposit being based upon the applicable amount handled from the end of the last 20-racing-day period for which a deposit has been made to the end of the meeting.
(b)After deducting a sum equal to 5 percent of the total deposits made pursuant to subdivision (a) and the total deposits made pursuant to Section 19602, the amount to compensate the official registering agency for its administrative cost and for expenses it incurs for educational, promotional, and research programs, the official registering agency shall for computational purposes distribute annually the balance of the deposits in the following manner:
(1) To the California-bred race fund, 10 percent to be used for the promotion of California-bred races and from which purses are to be provided or supplemented for California Cup Day, other California-bred races, and, upon the approval of the official registering agency, races featuring California-breds. This fund shall be administered by the official registering agency. Any funds not used for those purposes during any year, up to 1 percent of the total breeder, stallion, and owner award receipts, shall remain in the California-bred race fund to be distributed for the purposes of this paragraph the following year. Any funds remaining thereafter shall be redistributed to augment the funds referred to in subdivision (c), and shall be allocated to the breeder fund and to the stallion fund as provided in that subdivision. It is the intent of the Legislature that all funds used for purses shall supplement and not supplant existing purses for California-breds.
(2) To the owner fund for the purpose of owner premiums pursuant to Section 19614.4.
(3) To the California-bred bonus program, 15 percent of the amount remaining to be used for the payment of bonuses to California-bred horses in maiden allowance races in California. This bonus program shall be administered by the official registering agency.
(c) The funds remaining after the distributions made pursuant to subdivision (b) shall be distributed as follows:
(1) To the breeder fund 75 percent, from which breeder awards are to be paid.
(2) To the stallion fund 25 percent, from which stallion awards are to be paid.
(d) The official registering agency shall make the following payments to the owner, breeder, and stallion owner so as to encourage agriculture and the breeding of higher quality horses in this state:
(1) The owner shall be paid an owner premium pursuant to Section 19614.4.
(2) The breeder shall be paid a breeder award equal to the quotient for the breeder fund multiplied by the eligible earnings of the horse bred by the breeder.
(3) The stallion owner shall be paid a stallion award equal to the quotient for the stallion fund multiplied by the eligible earnings of the stallion owner’s eligible thoroughbred stallion.
(4) Owner premiums for California-bred horses shall be listed in the racing program alongside the advertised purse, and shall be distributed to the owner pursuant to Section 19614.4 at the same time as the purse.
(5) The breeder and stallion awards shall be paid not later than March 31 of the calendar year immediately following the calendar year for which the awards or premiums were earned.

19617.3.
(a) The following definitions govern the construction of
this section:
(1) “Breeder” means a person who is registered as the breeder of a California-bred paint horse with the

official registering agency and is named on the applicable Certificate of Registration issued by the American Paint Horse Association.
(2) “Eligible earnings” means the following:
(A) In the case of breeder premiums, the annual amount earned by a California-bred paint horse for finishing first or second in qualifying races.
(B) In the case of owners’ awards, the annual amount earned by a California-bred paint horse for finishing first or second in qualifying races.
(C) In the case of stallion awards, the annual amount earned by California-conceived or California-bred foals of an eligible paint horse sire for finishing first or second in qualifying races.
(D) In order for earnings from a qualifying race to be considered as eligible earnings, a California-bred paint horse shall be registered as such with the official registering agency before the entries were taken by the association for the qualifying race in which that horse earned purse money.
(E) For purposes of this paragraph, the maximum purse considered earned in any qualifying race within this state is two hundred thousand dollars ($200,000) for a win, and eighty thousand dollars ($80,000) for a second place finish.
(F) In determining the purse earned in any qualifying race that is a stakes race, the amount earned shall be based on the added money and other sources of the purse, such as nomination, entry, or starting fees, bonuses, and sponsor contributions, or any combination thereof.
(G) On or before February 1, of any year, the stallion owner shall verify with the official registering agency the eligibility of a stallion to receive the stallion award to which the owner is entitled.
(3) “Eligible paint horse sire” means a paint horse, thoroughbred, or quarter horse sire of a registered paint horse foal, where the sire was continuously present in this state from February 1 to July 15, inclusive, of the calendar year in which the qualifying race was conducted, as well as from February 1 to July 15, inclusive, of the following calendar year. If a sire dies in this state and stood his last seasons at stud in this state, he shall thereafter continue to be considered an eligible paint horse sire. Notwithstanding any other provision of law, a paint horse stallion shall be considered an eligible paint horse sire only if its owner has verified the stallion’s eligibility with the official registering agency for stallion awards on or before February 1 of the calendar year immediately following the calendar year for which the awards are being distributed.
(4) “Official registering agency” means the Pacific Coast Quarter Horse
Racing Association.
(5) “Owner” means the person who is registered with the paymaster of purses on the date the qualifying race was conducted as the owner of the California-bred paint horse earning purse money in that race.
(6) “Qualifying race” means all paint horse only races in this state.
(7) “Stallion owner” means the person who is the owner of the eligible paint horse sire as of December 31 of the calendar year in which that sire’s foals had eligible earnings or the person who owned the eligible paint horse sire on the date that the sire died.
(b) Any association conducting a race meeting that includes paint horse racing shall deposit with the official registering agency 0.2 of 1 percent of the total amount handled ontrack, and 0.4 of 1 percent of the total amount handled offtrack, in daily conventional and exotic parimutuel pools and a sum equal to 25 percent of those funds specified for purses in Sections 19612.1, 19612.2, 19614.2, 19616, and 19616.1 and the sums specified in Sections 19567 and 19617.5, resulting from paint horse racing. The deposits shall be made at the following intervals:
(1) For any meeting of 20 racing days or less, the requisite deposit shall be made not later than seven days immediately following the last day of that meeting.
(2) For any meeting of more than 20 racing days, the initial deposit shall be made not later than 27 racing days after the commencement of that meeting and every 20 racing days thereafter, with a final deposit made not later than seven days following the last day of that meeting. The initial deposit for that meeting shall be based upon the applicable amount handled during the first 20 racing days of the meeting, and deposits thereafter shall be based upon the applicable amount handled during the ensuing periods of 20 racing days, with the last deposit being based upon the applicable amount handled from the end of the

last 20-racing-day period for which a deposit has been made to the end of the meeting.
(c) After deducting a sum up to, but not to exceed, 10 percent of the total deposits made pursuant to subdivision (b) and the total deposits made pursuant to other provisions of this chapter, including Sections 19612.1, 19612.2, 19614.2, 19616, and 19616.1, to compensate the official registering agency for its administrative costs, the official registering agency shall distribute annually the balance of the deposits in the following manner:
(1) Sixty percent to the breeder fund from which breeder premiums are to be paid.
(2) Twenty-five percent to the owner fund from which owners' premiums
are to be paid.
(3) Fifteen percent to the stallion fund from which stallion awards are to be paid.
(d) The official registering agency shall make the following payments to the breeder, owner, and stallion owner to encourage agriculture and the breeding of high quality horses in this state:
(1) The breeder shall be paid a sum based on a prorated share, but not less than 10 percent, of first and second place earnings from qualified races by a California-bred paint horse. If the sum paid to the breeder is less than 10 percent of the purse paid for a first or second place finish in a qualifying race, the owners' award and stallion award pools shall respectively contribute 62.5 percent and 37.5 percent of the moneys necessary to the breeder premium pool to raise the breeder premium to 10 percent minimum. In calculating the 10 percent breeder premium, the maximum purse considered earned in any qualifying race within this state is two hundred thousand dollars ($200,000) for a first place finish, and eighty thousand dollars ($80,000) for a second place finish.
(2) The owner shall be paid an owners' award, a sum based on a prorated share of first and second place earnings from qualified races by a California-bred paint horse.
(3) The stallion owner shall be paid a stallion award, a sum based on a prorated share of first and second place earnings from qualified races by a California-bred paint horse. Stallion awards shall not be made to the owner of a sire that has been out of the state for breeding purposes during the calendar year.
(4) The breeder premium and owners' and stallion awards shall be paid not later than March 31 of the calendar year immediately following the calendar year for which the awards or premiums were earned. Any payments for awards or premiums that are uncashed on December 31 of the year issued shall accrue to the following year for distribution on an equal basis.
(e) The amount remaining for distribution under this section, if any, after the payments are made under subdivision (d) shall be used for the payment of paint horse breeders premiums and owners' and stallion awards on a prorated percentage based on the win and second place shares of the purse exclusive of all purse money not derived from the parimutuel pools, to the breeders, owners, and owners of sires of paint horses who have been officially placed first or second in one or more qualifying races.
(f) If there are insufficient funds to make all of the distributions in this section, there shall be no assessments made against any association to fund the deficiencies.

19617.4.
(a) The official registering agency shall invest the funds deposited with it, and the interest earned on those deposits shall be a part of the total deposits distributable under subdivisions (b) and (c) of Section 19617.2.
(b) In the event there are insufficient funds to make the distributions described in Section 19617.2, there shall be no additional assessments made against any association or the state to fund the deficiencies.
(c) Any award or premium remaining uncollected for two consecutive years from that date of disbursement shall be deemed null and void. The official registering agency shall deposit the amount of the uncollected award or premium into the breeder fund existing at that time.
(d) Any dispute with respect to a breeder award, owner premium, or stallion award shall be decided by the official registering agency, which may demand and inspect any registration certificate or record, or require the submission of claims forms, affidavits, and declarations or make that inspection and require submissions of that information. The decision of the official registering agency shall be subject to review by the board pursuant to subdivision (e).

(e) A decision made by the official registering agency with respect to a breeder award, owner premium, or stallion award may be appealed to the board. The appeal shall be submitted in writing to the board in such manner and at such time as to permit the board, in the exercise of reasonable diligence, to determine the appeal prior to the time at which distribution of that award or premium is to be made. The board's decision on this matter shall be final and binding upon all parties.
(f) The official registering agency shall report annually to the board, which in turn shall report annually to the Governor and Legislature, with respect to the funds deposited pursuant to subdivision (a) of Section 19617.2.

19617.5.
(a) Any association conducting a quarter horse or harness racing meeting shall pay the sums required to be paid by Section 19567 out of the amounts deducted from the parimutuel pool for license fees, commissions, and purses in the same proportion as the distribution of the license fees, commissions, and purses.
Those sums deducted for quarter horse meetings shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7 and shall thereafter be distributed in accordance with subdivisions (c), (d), and (e) of Section 19617.7.
(b) Notwithstanding subdivision (a), any association conducting a fair racing meeting other than a harness meeting or conducting a mixed breed meeting shall deduct an additional 0.34 of 1 percent of the total amount handled in its daily conventional and exotic parimutuel pools for all races for payment of breeder and stallion awards provided for in this chapter. Following the close of the meeting, the respective official registering agency or officially recognized horsemen's organization shall distribute the amounts so deducted as follows:
(1) With respect to thoroughbred races, the amounts deducted shall be paid as breeder awards, owners' premiums, and stallion awards as provided in Section 19617.2.
(2) With respect to quarter horses races, the amounts deducted shall be paid as breeder premiums, and owners' and stallion awards, as provided in Section 19617.7.
(3) With respect to Arabian races, the amounts deducted shall be paid as breeder premiums, and owners' and stallion awards as provided in Section 19617.8.
(4) With respect to Appaloosa races, the amounts deducted shall be paid as breeder premiums, and owners' and stallion awards, as provided in Section 19617.9.
(5) With respect to paint races, the amounts deducted shall be paid as breeder and owners' premiums, and stallion awards, as provided in Section 19617.3.

19617.6.
(a) Since the purpose of this chapter is to encourage agriculture and the breeding of horses in this state, a sum equal to 10 percent of the first money of each purse won by a registered California-bred horse at a harness racing meeting shall be paid by the licensee conducting the meeting to the owner of the horse. This section applies to any California-bred standardbred horse for all races except the California Standardbred Sires Stakes races, other stakes races designed for California-bred standardbred horses, and late closing events and series conducted at the harness racing meetings in California.
(b) Each licensee conducting a harness race meeting shall pay the sums required to be paid in subdivision (a) out of the amount deducted for purses pursuant to subdivision (b) of Section 19612, Section 19612.6, and subdivision (d) of Section 19616.1.
(c) Funds paid to owners of California-bred standardbred horses pursuant to this section shall be distributed by the licensed harness racing association no later than 30 calendar days after the conclusion of the racing meeting.

19617.7.
(a) The following definitions govern the construction of

this section:
(1) “Breeder” means a person who is registered as the breeder of a California-bred quarter horse with the official registering agency and is named on the applicable Certificate of Registration issued by the American Quarter Horse Association.
(2) “Eligible earnings” means the following:
(A) In the case of breeder premiums, the annual amount earned by a
California-bred quarter horse for finishing first or second in qualifying races.
(B) In the case of owners’ awards, the annual amount earned by a
California-bred quarter horse for finishing first or second in qualifying races.
(C) In the case of stallion awards, the annual amount earned by California-conceived or California-bred foals of an eligible quarter horse sire for finishing first or second in qualifying races.
(D) In order for earnings from a qualifying race to be considered as eligible earnings, a California-bred quarter horse shall be registered as such with the official registering agency before the entries were taken by the association for the qualifying race in which that horse earned purse money.
(E) For purposes of this paragraph, the maximum purse considered earned in any qualifying race within this state is two hundred thousand dollars ($200,000) for a win, and eighty thousand dollars ($80,000) for a second place finish.
(F) In determining the purse earned in any qualifying race that is a stakes race, the amount earned shall be based on the added money and other sources of the purse, such as nomination, entry, or starting fees, bonuses, and sponsor contributions, or any combination thereof.
(G) On or before February 1 of any year, the stallion owner shall verify with the official registering agency the eligibility of a stallion to receive the stallion award to which the owner is entitled.
(3) “Eligible quarter horse sire” means a quarter horse, or thoroughbred stallion, bred to a quarter horse mare, where the sire was continuously present in this state from February 1 to July 15, inclusive, of the calendar year in which the qualifying race was conducted, as well as from February 1 to July 15, inclusive, of the following calendar year. If a sire dies in this state and stood his last season at stud in this state, he shall thereafter continue to be considered an eligible quarter horse sire. Notwithstanding any other provision of law, a quarter horse or thoroughbred stallion shall be considered an eligible quarter horse sire only if its owner has verified the stallion’s eligibility with the official registering agency for stallion awards on or before February 1 of the calendar year immediately following the calendar year for which the awards are being distributed.
(4) “Official registering agency” means the Pacific Coast Quarter Horse Racing Association.
(5) “Owner” means the person who is registered with the paymaster of purses on the date the qualifying race was conducted as the owner of the California-bred quarter horse earning purse money in that race.
(6) “Qualifying race” means all quarter horse races in this state.
(7) “Stallion owner” means the person who is the owner of the eligible quarter horse sire as of December 31 of the calendar year in which that sire’s foals had eligible earnings or the person who owned the eligible quarter horse sire on the date that the sire died.
(b) Any association conducting a race meeting that includes quarter horse racing shall deposit with the official registering agency 0.2 of 1 percent of the total amount handled ontrack, and 0.4 of 1 percent of the total amount handled offtrack, in daily conventional and exotic parimutuel pools and a sum equal to 25 percent of those funds specified for purses in Sections 19612.1, 19612.2, 19614.2, 19616, and 19616.1 and the sums specified in Sections 19567 and 19617.5, resulting from quarter horse racing. The deposits shall be made at the following intervals:
(1) For any meeting of 20 racing days or less, the requisite deposit shall be made not later than seven days immediately following the last day of that meeting.
(2) For any meeting of more than 20 racing days, the initial deposit shall be made not later than 27 racing days after the commencement of that meeting and every 20 racing days thereafter, with a final deposit made not later than seven days following the last day of that meeting. The initial deposit for that meeting shall be based upon the applicable amount handled during the first 20 racing days of the meeting and deposits thereafter shall be based upon the applicable amount handled during the ensuing periods of 20

racing days with the last deposit being based upon the applicable amount handled from the end of the last 20-racing-day period for which a deposit has been made to the end of the meeting.
(c) After deducting a sum up to, but not to exceed, 10 percent of the total deposits made pursuant to subdivision (b) and the total deposits made pursuant to other provisions of this chapter, including Sections 19612.1, 19612.2, 19614.2, 19616, and 19616.1, to compensate the official registering agency for its administrative costs, the official registering agency shall distribute annually the balance of the deposits in the following manner:
(1) Sixty percent to the breeder fund from which breeder premiums are to be paid.
(2) Twenty-five percent to the owner fund from which owners' awards
are to be paid.
(3) Fifteen percent to the stallion fund from which stallion awards are to be paid.
(d) The official registering agency shall make the following payments to the breeder, owner, and stallion owner to encourage agriculture and the breeding of high quality horses in this state:
(1) The breeder shall be paid a sum based on a prorated share, but not less than 10 percent, of first and second place earnings from qualified races by a California-bred quarter horse.
If the sum paid to the breeder is less than 10 percent of the purse paid for a first or second place finish in a qualifying race, the owners' award and stallion award pools shall respectively contribute 62.5 percent and 37.5 percent of the moneys necessary to the breeder premium pool to raise the breeder premium to 10 percent minimum. In calculating the 10 percent breeder premium, the maximum purse considered earned in any qualifying race within this state is two hundred thousand dollars ($200,000) for a first place finish, and eighty thousand dollars ($80,000) for a second place finish.
(2) The owner shall be paid an owners' award, a sum based on a prorated share of first and second place earnings from qualified races by a California-bred quarter horse.
(3) The stallion owner shall be paid a stallion award, a sum based on a prorated share of first and second place earnings from qualified races by a California-bred quarter horse.
Stallion awards shall not be made to the owner of a sire that been out of the state for breeding purposes during the calendar year.
(4) The breeder premium, and owners' and stallion awards shall be paid not later than March 31 of the calendar year immediately following the calendar year for which the awards or premiums were earned. Any payments for awards or premiums that are uncashed on December 31 of the year issued, shall accrue to the following year for distribution on an equal basis. All uncashed payments for premiums and awards that have accumulated as of December 31, 1994, shall be paid to the 1995 awards program in accordance with subdivision (c).
(e) The amount remaining for distribution under this section, if any, after the payments are made under subdivision (d) shall be used for the payment of quarter horse breeder premiums and owners' and stallion awards on a prorated percentage based on the win and second place shares of the purse, exclusive of all purse money not derived from the parimutuel pools, to the breeders, owners, and owners of sires of quarter horses who have been
officially placed first or second in one or more qualifying races.
(f) If there are insufficient funds to make all of the distributions in this section, there shall be no assessments made against any association to fund the deficiencies.

19617.75.
(a) The Legislature finds and declares that the breeding and ownership of quarter horses for racing is an industry that has proven to be beneficial to the welfare of the state's economic growth. The Legislature further finds and declares that an annual California-bred Quarter Horses Championship races program will further expand and improve the quality of mares bred to California stallions and promote ownership of quality breeding stock in the State of California, which thereby will establish a foundation for expanded investment in this great industry.
(b) It is the intent of the Legislature that in addition to the awards, premiums, and payments provided for in Section 19617.7, the official registering agency for quarter horses shall establish a separate,

segregated account for the deposit of funds distributed to it pursuant to subdivision (c) of Section 19605.7 and subdivision (c) of Section 19605.71. Moneys in this fund shall be used to supplement purses in the annual California-bred Quarter Horse Championship races, to be established pursuant to regulation of the California Horse Racing Board. The distribution of these purse moneys among these races shall be made pursuant to mutual agreement between the quarter horse association and the registering agency. On June 1 of each year, the official registering agency shall provide the board with an annual report accounting for the current and projected balance of this separate fund. Furthermore, it is the intent of the Legislature that the authorization for this fund be retroactive from June 1, 2000, so as to enable the running of the 2001 California-bred Quarter Horse Championship races.

19617.8.
(a) The following definitions govern the construction of this section:
(1) “Breeder” means the person or persons listed as breeder of record by the Arabian Horse Registry of America and so indicated on the horse’s registration papers.
(2) “Eligible earnings” means the following:
(A) In the case of breeder premiums, the annual amount earned by a California-bred Arabian horse for finishing first or second in qualifying races.
(B) In the case of owners’ awards, the annual amount earned by a California-bred Arabian horse for finishing first or second in qualifying races.
(C) In the case of stallion awards, the annual amount earned by California- bred Arabian foals of an eligible Arabian horse sire for finishing first or second in qualifying races.
(D) In order for earnings from a qualifying race to be considered as eligible earnings, an Arabian horse shall be registered as a California-bred horse with the official registering agency before the date entries were taken by the association for the qualifying race in which that horse earned purse money.
(E) In determining the purse earned in any race that is a stakes race, the amount earned shall be based on the added money, with no consideration given to other sources of the purse, such as nomination, entry, or starting fees, bonuses, and sponsor contributions, or any combination thereof.
(F) On or before February 15 of any year, the stallion owner shall advise the official registering agency of any and all purses earned during the preceding year to be considered in determining the amount of the stallion award to which the owner is entitled.
(3) “Eligible Arabian sire” means an Arabian stallion that was continuously present in this state for the calendar year in which the qualifying race was conducted. If a sire dies in this state and stood his last season at stud in this state, he shall thereafter continue to be considered an eligible Arabian sire. Notwithstanding any other provision of law, an Arabian or stallion shall be considered an eligible Arabian sire only if its owner has registered the stallion with the official registering agency for the stallion awards on or before February 15 of the calendar year immediately following the calendar year for which the awards are being distributed. Stallion claim forms are due February 15, whether or not the official registering agency solicits them.
(4) “Official registering agency” means the officially recognized organization representing Arabian horsemen designated by the board.
(5) “Owner” means the person who is registered with the paymaster of purses on the date the qualifying race was conducted as the owner of the California-bred Arabian horse earning purse money in that race.
(6) “Qualifying race” means all Arabian horseraces in this state.
(7) “Stallion owner” means the person who is the owner of the eligible Arabian sire as of December 31 of the calendar year in which that sire’s foals had eligible earnings or the person who owned the eligible Arabian sire on the date that the sire died.
(b) Any association conducting a race meeting that includes Arabian horseracing shall deposit with the official registering agency 0.2 of 1 percent of the total amount handled ontrack, and 0.4 of 1 percent of the total amount handled offtrack, in daily conventional and exotic parimutuel pools and a sum equal to 13.33 percent of those funds specified for purses in Section 19612.1 and the sums specified in Sections 19567 and 19617.5, resulting from Arabian horseracing. The deposits shall be made at the following

intervals:
(1) For any meeting of 20 racing days or less, the requisite deposit shall be made not later than seven days immediately following the last day of that meeting.
(2) For any meeting of more than 20 racing days, the initial deposit shall be made not later than 27 racing days after the commencement of that meeting and every 20 racing days thereafter, with a final deposit made not later than seven days following the last day of the meeting. The initial deposit for that meeting shall be based upon the applicable amount handled during the first 20 racing days of the meeting and deposits thereafter shall be based upon the applicable amount handled during the ensuing periods of 20 racing days with the last deposit being based upon the applicable amount handled from the end of the last 20-racing-day period for which a deposit has been made to the end of the meeting.
(c) After deducting a sum up to, but not to exceed, 10 percent of the total deposits made pursuant to subdivision (b) and the total deposits made pursuant to other provisions of this chapter, including Sections 19612.1 and 19612.2, to compensate the official registering agency for its administrative costs, the official registering agency shall distribute annually the balance of the deposits in the following manner:
(1) Fifty-five percent to the breeder fund from which breeder premiums
are to be paid.
(2) Twenty percent to the owner fund from which owners' awards are to be paid.
(3) Fifteen percent to the stallion fund from which stallion awards are to be paid.
(4) Ten percent to the California-bred race fund to be used for the promotion of California-bred races and programs, which fund shall be administered by the official registering agency. Any funds not so used during the year shall augment the owner fund of that year and shall be distributable therefrom. It is the intent of the Legislature that all funds used for purses shall supplement and not supplant existing purses for California-breds.
(d) The official registering agency shall make the following payments to the breeder, owner, and stallion owner to encourage agriculture and the breeding of high quality horses in this state:
(1) The breeder shall be paid a sum based on a prorated share of first
and second place earnings.
(2) The owner shall be paid an owners' award, a sum based on a prorated share of first and second place earnings from qualified races by a California-bred Arabian horse.
(3) The stallion owner shall be paid a stallion award, a sum based on a prorated share of first and second place earnings from the Arabian horses who placed first or second in one or more races at a fair meeting, mixed breed meeting, or other type of meeting.
Stallion awards shall not be made to the owner of a sire that has been out of the state for breeding purposes during the calendar year. Stallion awards shall not be made for any race run outside of the State of California.
(4) The breeder premium, and owners' and stallion awards shall be paid not later than March 31 of the calendar year immediately following the calendar year for which the awards or premiums were earned.
(e) The amount remaining for distribution under this section, if any, after the payments are made under subdivision (d) shall be paid at the end of the year on a prorated percentage basis to the owners of sires of Arabian horses who placed first in one or more races at a fair meeting, mixed breed meeting, or other type of meeting.
(f) If there are insufficient funds to make all of the distributions in this section, there shall be no assessments made against any association to fund the deficiencies.
(g) Any award remaining uncollected for one year from the date of disbursement is null and void. The official registering agency shall deposit the amount of the uncollected award into the award fund existing at that time.

19617.9.
(a) The following definitions govern the construction of this section:
(1) "Breeder" means a person who is registered as the owner of the dam at the time the mare foals.

(2) “Eligible earnings” means the following:
(A) In the case of breeder premiums, the annual amount earned by a California-bred Appaloosa horse for finishing first or second.
(B) In the case of owners’ awards, the annual amount earned by a California-bred Appaloosa horse for finishing first or second in qualifying races.
(C) In the case of stallion awards, the annual amount earned by Appaloosa foals of an eligible Appaloosa sire for finishing first or second.
(D) In order for earnings from a qualifying race to be considered as eligible earnings, an Appaloosa horse shall be registered as such with the official registering agency before the date entries were taken by the association for the qualifying race in which that horse earned purse money.
(E) In determining the purse earned in any race that is a stakes race, the amount earned shall be based solely on the added money, with no consideration given to other sources of the purse, such as nomination, entry, or starting fees, bonuses, and sponsor contributions, or any combination thereof.
(F) On or before February 1 of any year, the stallion owner shall advise the official registering agency of any and all purses earned during the preceding year to be considered in determining the amount of the stallion award to which the owner is entitled.
(3) “Eligible Appaloosa sire” means an Appaloosa stallion that was continuously present in this state from February 1 to July 15, inclusive, of the calendar year in which the qualifying race was conducted, and, if the sire left this state after July 15 of the calendar year in which the qualifying race was conducted, the sire returned to and was present in this state by February 1 of the following calendar year and thereafter remained until July 15 of that year. If a sire dies in this state and stood his last season at stud in this state, he shall thereafter continue to be considered an eligible Appaloosa sire. Notwithstanding any other provision of law, an Appaloosa stallion shall be considered an eligible Appaloosa sire only if its owner has registered the stallion with the official registering agency for stallion awards on or before February 1 of the calendar year immediately following the calendar year for which the awards are being distributed.
(4) “Official registering agency” means the officially recognized organization representing Appaloosa horsemen designated by the board.
(5) “Owner” means the person who is registered with the paymaster of purses on the date the race was conducted as the owner of the California- bred Appaloosa horse earning purse money in that race.
(6) “Qualifying race” means all Appaloosa horseraces in this state for breeders and stallions; for owners’ awards, a qualifying race must be equal to or above four thousand dollars ($4,000) claiming.
(7) “Stallion owner” means the person who is the owner of the eligible Appaloosa sire as of December 31 of the calendar year in which that sire’s foals had eligible earnings or the person who owned the eligible quarter horse sire on the date that the sire died.
(b) Any association conducting a race meeting that includes Appaloosa horseracing shall deposit with the official registering agency 0.2 of 1 percent of the total amount handled ontrack, and 0.4 of 1 percent of the total amount handled offtrack, in daily conventional and exotic parimutuel pools and a sum equal to 13.33 percent of those funds specified for purses in Section 19612.1, and the sums specified in Sections 19567 and 19617.5, resulting from Appaloosa horseracing. The deposits shall be made at the following intervals:
(1) For any meeting of 20 racing days or less, the requisite deposit shall be made not later than seven days immediately following the last day of that meeting.
(2) For any meeting of more than 20 racing days, the initial deposit shall be made not later than 27 racing days after the commencement of that meeting and every 20 racing days thereafter, with a final deposit made not later than seven days following the last day of that meeting. The initial deposit for that meeting shall be based upon the applicable amount handled during the first 20 racing days of the meeting and deposits thereafter shall be based upon the applicable amount handled during the ensuing periods of 20 racing days with the last deposit based upon the applicable amount handled from the end of the last 20-racing-day period for which a deposit has been made to the end of the meeting.
(c) After deducting a sum up to, but not to exceed, 10 percent of the total deposits made pursuant to subdivision (b) and the total deposits made pursuant to other provisions of this chapter, including Sections

19612.1 and 19612.2, to compensate the official registering agency for its administrative costs, the official registering agency shall distribute annually the balance of the deposits in the following manner:
(1) Sixty percent to the breeder fund from which breeder premiums are to be paid.
(2) Twenty-five percent to the owner fund from which owners' awards are to be paid.
(3) Fifteen percent to the stallion fund from which stallion awards are to be paid.
(d) The official registering agency shall make the following payments to the breeder, owner, and stallion owner to encourage agriculture and the breeding of high quality horses in this state:
(1) The breeder shall be paid a sum based on a prorated share of first
(2) The owner shall be paid an owners' award, a sum based on a prorated share of first and second place earnings from qualified races by a California- bred Appaloosa horse.
(3) The stallion owner shall be paid a stallion award, a sum based on a prorated share of first and second place earnings from Appaloosa horses who placed first or second in one or more races at a fair meeting or a mixed breed meeting.
Stallion awards shall not be made to the owner of a sire that has been out of the state for breeding purposes during the calendar year. Stallion awards shall not be made for any race run outside the State of California.
(4) The breeder premium, and owners' and stallion awards shall be paid not later than March 31 of the calendar year immediately following the calendar year for which the awards or premiums were earned.
(e) If there are insufficient funds to make all of the distributions in this section, there shall be no assessments made against any association to fund the deficiencies.

19618.
(a) Except as provided in Article 9.2 (commencing with Section 19605), no person licensed under this chapter to conduct a racing meeting shall pay or distribute to, or on behalf of, any horse owner, any agent, or person or organization representing any horse owner or owners, purses, or any other type of consideration to, or for, the benefit of horsemen, other than that expressly provided in this chapter.
(b) Except as provided in Article 9.2 (commencing with Section 19605), no horse owner, any agent, or person or organization representing any horse owner or owners, shall receive, solicit, or obtain from any person licensed under this chapter to conduct a race meeting, purses, or any other type of consideration to, or for, the benefit of horsemen, other than that expressly provided in this chapter.
(c) No plaque, cup, tray, ribbon, trophy, or similar award given in recognition of achievement or special event is deemed to be consideration for the purpose of subdivisions (a) and (b).
(d) Subdivisions (a) and (b) do not apply to any payment by an association in connection with any match race or special racing event.
(e) Notwithstanding subdivision (a) or (b), or any other provision of law, the horsemen's organization that represents the horsemen participating in a racing meeting and a licensed racing association may enter into an agreement which provides for the division of, and sharing by the organization and the association of, the interest earned on the association's paymaster accounts during racing meetings conducted prior to, during, or subsequent to, 1990, if both of the following conditions are satisfied:
(1) The agreement is filed with the board.
(2) The share of earned interest allocated to the horsemen's organization is used exclusively for the benefit of horsemen, including, among other purposes, purses.
(f) Notwithstanding subdivision (a) or (b), or any other provision of law, the horsemen's organization that represents the horsemen participating in a racing meeting and a licensed racing association may enter into an agreement that provides for the supplementing of purses due to the impact, if any, of activities regulated pursuant to the provisions of Chapter 5 (commencing with Section 19800) that are conducted on the association's property during a race meeting, if both of the following conditions are satisfied:
(1) The agreement is approved by the board.
(2) Any sum agreed to pursuant to this subdivision is used exclusively to supplement purses.

19618.1.
Subdivisions (a) and (b) of Section 19618 shall not apply to any payment by a licensed harness racing association in the northern zone, or by any fair, in connection with promotional contests or sponsor- ship contributions.

19618.2.
Subdivisions (a) and (b) of Section 19618 shall not apply to either of the following:
(a) Any payment by a licensed quarter horse racing association in the southern zone, to horsemen participating in its race meeting.
(b) Any payment by a licensed thoroughbred racing association in connection with funds contributed or authorized by the horsemen's organization responsible for negotiating purse agreements on behalf of the horsemen participating in the racing meeting, including purse supplements, sponsorship contributions, or promotional funds.

19619.
(a) Since the purpose of this chapter is to encourage agriculture and the breeding of horses in this state, a California Standardbred Sires Stakes Program is hereby established for standardbred horses bred in the State of California.
(b) Horses eligible to race in the California Standardbred Sires Stakes Program shall be the offspring of a registered California standardbred stallion standing in California during an entire breeding season, or the offspring of a registered standardbred stallion standing in Iowa, Wisconsin, Minnesota, Michigan, or Maine, or the Province of Alberta, Canada.
(c)(1) Responsibility for the California Standardbred Sires Stakes Program is with the board. Administration of the California Standardbred Sires Stakes Program is the responsibility of the California Standardbred Sires Stakes Committee. The committee shall consist of five members and one alternate selected from and by the California Harness Horsemen's Association.
(2) Administrative expenses of the committee in any given year shall not exceed 4 percent of that year's income to the California Standardbred Sires Stakes Program, and all expenses shall be approved by the board.
(d) The board may do all that is necessary to ensure that the California Standardbred Sires Stakes Program is appropriately administered and shall prepare, issue, and adopt rules and regulations providing for all of the following:
(1) Classes and divisions of races, eligibility of horses and owners therefor, and prizes and awards to be awarded.
(2) Nominating, sustaining, and entry fees for horses and races.
(3) Registration and certification of California stallions, mares bred to those stallions, and foals produced thereby.
(4) Any other matter that is considered to be necessary and appropriate for the proper administration and implementation of the California Standardbred Sires Stakes Program.
(e) The funds for the California Standardbred Sires Stakes Program made available pursuant to Section 19491.7 and the nominating, sustaining, and entry fees provided for in this section shall be deposited with the California Standardbred Sires Stakes Committee. The committee shall distribute the funds deposited with it in accordance with this section for the purposes of the program in the manner approved by the board.
(f) Pursuant to Section 19491.7, the breakage used to fund the California Standardbred Sires Stakes Program and to increase purses shall be divided in accordance with the following criteria:

California Standardbred Sires Stakes Program	Purses

1977.....	10%	90%
1978.....	20%	80%
1979.....	25%	75%
1980.....	50%	50%
January 1 to June 30, 1981.....	75%	25%
July 1, 1981, and thereafter.....	100%	0%

(g) An amount equal to 10 percent of the total purses raced for in the California sires stakes races shall be awarded to the standardbred breeders of the horses that earned purse money in the California standardbred sires stakes races in proportion to the amount of purse money earned by each horse.
(h) An amount equal to 2 percent of the total purses raced for in the California sires stakes races shall be awarded to the owners of the registered California standardbred stallions that sired horses that earned purse money in the California standardbred sires stakes races in proportion to the amount of purse money earned by each horse so sired.
(i) Notwithstanding subdivision (b), the board may establish a series of races for two-year-old and three-year-old fillies that are wholly owned by a California resident on the first day of January of the year that they become two years old and are wholly owned by a California resident on the day of the race.
(j) The balance of the remaining funds, including nominating, sustaining, and entry fees, and after the expenditures described in subdivisions (e), (g), (h), and (i) have been made, shall be allocated to purses for races comprising the California Standardbred Sires Stakes Program.
(k) The schedule of races that shall comprise the California Standardbred Sires Stakes Program during each year shall be set by the board in accordance with the following criteria:
(1) California standardbred sires stakes races shall be scheduled for two-year-old or three-year-old trotters and two-year-old and three-year- old pacers at the discretion of the California Standardbred Sires Stakes Committee, except that no two-year-old races shall be held before the first day of June of any year. Races for four-year-old or aged trotters and four- year-old or aged pacers may also be scheduled.
(2) Base purses for each set of races conducted during any given year at any race meeting shall be determined by the committee.
(3) In each division of each race in the California standardbred sires stakes races, the purse shall be divided in the following manner:

1st.....	50%
2nd.....	25%
3rd.....	12%
4th.....	8%
5th.....	5%

19619.1.
With respect to harness meetings, all funds that are not distributed to horsemen as purses pursuant to subdivision (b) of Section 19612, Section 19612.6, and subdivision (d) of Section 19616.1 or as breeder awards pursuant to Sections 19567 and 19617.5 within 180 days after the conclusion of a licensed harness race meet or a portion of a split harness meet, shall be deposited into the account for the

California Standardbred Sires Stakes Program established pursuant to Section 19619.

19619.2.
Notwithstanding any other provision of this chapter, funds may be made available to supplement the purses distributed by the California Standardbred Sires Stakes Program from purse funds generated pursuant to Sections 19612, 19612.2, 19612.3, and 19612.6 upon agreement by the recognized harness horsemen's organization and the harness racing association conducting the live racing meeting.

19619.6.
Every association or fair that provides a live audiovisual signal of its program to a satellite wagering facility pursuant to Sections 19608 and 19608.1 shall cooperate with the operator of the satellite wagering facility with respect to arrangements with the ontrack totalizator company for access to its ontrack totalizator system for purposes of combining parimutuel pools.

19619.7.
Notwithstanding any other provision of this chapter, no later than July 1, 2008, the board shall provide that the jockey who rides the horse that finishes in fourth place in a thoroughbred horse race shall be entitled to a reasonable riding fee, not to exceed 2 percent of the owner's share of the purse, provided that the riding fee is no greater than that earned by the jockeys whose horses finish second and third in the same race.

Article 10. Revenue

19620.3.
The Horse and Jockey Safety and Welfare Account is hereby created in the State Treasury. Notwithstanding Sections 19606.1, 19616.51, 19620, 19620.1, and 19632, Section 13340 of the Government Code, or any other law, moneys from license fees imposed pursuant to Article 3 (commencing with Section 19460) shall be deposited in the Horse and Jockey Safety and Welfare Account and be continuously appropriated without regard to fiscal years for allocation by the Department of Finance to the board for equine safety measures to improve the integrity and safety of horse racing that shall include, but are not limited to, contracting for additional state veterinarians, stewards, and infrastructure support related to the safety and welfare of racehorses and jockeys.

19640.
All money representing penalties or fines imposed by the stewards of a horse race meeting shall be collected by the licensee of the meeting and paid to the board within 10 business days after its close, and the board shall deposit all those moneys in the Horse and Jockey Safety and Welfare Account established pursuant to Section 19620.3, and be continuously appropriated without regard to fiscal years for allocation by the Department of Finance to the board for horse welfare and safety measures. The board shall publicly disclose on its internet website the horse welfare and safety measures it funds with these moneys. For purposes of this section, horse welfare and safety measures shall include all of the following:
(a) Contracting for additional state veterinarians.
(b) Adding additional stewards.
(c) Improving or adding race track infrastructure to directly improve the safety and welfare of horses and riders.

19641.
(a) (1) Except as provided in subdivision (b), any redistributable money in a parimutuel pool subject to payment to a claimant pursuant to Section 19598, but not successfully claimed within that period, shall

be paid to the board, as follows:
(A) An estimated payment equal to 20 percent of the preceding year's unclaimed redistributable money paid pursuant to this paragraph shall be paid to the board on July 1, October 1, January 1, and April 1, or the next business day thereafter.
(B) On May 30, or the next business day thereafter, of the year following the close of a horse racing meeting, the association shall pay to the board all of the redistributable funds that are owed it pursuant to this paragraph, less estimated payments made pursuant to subparagraph (A).
(2) The money received by the board under this subdivision resulting from thoroughbred, harness, or quarter horse meetings, but excluding the meetings of the California Exposition and State Fair or of a county, district agricultural association, or citrus fruit fair, shall be used by the board to support research on matters pertaining to horse racing and racetrack security, but the money shall be subject to annual budgetary review by the Legislature. All of the redistributable money received by the board from other meetings shall be paid immediately into the State Treasury to the credit of the General Fund.
(b) (1) One-half of the redistributable money resulting from the thoroughbred, harness, or quarter horse meetings, but excluding the meetings of the California Exposition and State Fair or county, district agricultural association, or citrus fruit fair meetings, shall be distributed to a welfare fund established for the benefit of horsemen and horsewomen and back- stretch personnel, as follows:
(A) An estimated payment equal to 20 percent of the preceding year's unclaimed redistributable money distributed pursuant to this paragraph shall be distributed to the welfare fund on July 1, October 1, January 1, and April 1, or the next business day thereafter.
(B) On May 30, or the next business day thereafter, of the year following the close of a horse racing meeting, the association shall pay to the welfare fund all of the redistributable funds that are owed it pursuant to this paragraph, less estimated payments made pursuant to subparagraph (A).
(2) The welfare fund shall make an accounting to the board within one calendar year of the receipt of the payment.
(3) Upon approval of the board, moneys under this subdivision may be used to provide treatment for, and support the health care needs of, licensees under this chapter, employees of racing associations, and members of horsemen's and horsewomen's organizations and other racing-related charitable organizations representing or assisting backstretch personnel, if the need for the treatment and support is related to the person's participation in the horse racing industry.
(c) Except as provided in subdivision (a) or (b), any remaining redistributable money in a parimutuel pool subject to payment to a claimant pursuant to Section 19598, but not successfully claimed within the period specified in that section, shall be distributed one-half to the board, for the purposes specified and in the manner specified in subdivision (a), and one-half to the welfare fund established by the horsemen's and horsewomen's organization described in subdivision (b) in the manner specified in subdivision (b).

19641.2.
(a) The nonprofit foundation authorized to receive funds pursuant to Section 19641 shall use those funds to administer a health and welfare trust fund without prejudice and for the benefit of every eligible person. The officers and directors of the health and welfare trust fund shall have a fiduciary responsibility to manage the fund for the benefit of the beneficiaries.
(b) Every employer of backstretch workers shall, upon request, submit in writing or electronically to the administrator of the welfare program for backstretch workers any employment records necessary for prompt payment of benefits and proper administration of the program. Upon request, employers shall also provide to the administrator access to any employment records necessary for prompt payment of benefits and proper administration of the program.
(c) At least one member of the health and welfare fund board shall be a member without financial interest in the horse racing industry appointed from a list of nominees submitted jointly by the California State Council of the Service Employees International Union, the Jockey's Guild, and the California Teamsters Public Affairs Council.
(d) Nothing in this section is intended to affect the status of the welfare fund as a charity under Section

501(c)(3) of the federal Internal Revenue Code or its compliance with the Charitable Purposes Act (Article 7 (commencing with Section 12580) of Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code).

19642.
Cash vouchers that are not redeemed within 365 days of the close of the racing meeting at which the voucher was purchased shall be distributed to a nonprofit organization designated by the board for purposes of maintaining a data base of horseracing information to further the purposes of Section 19444.

19642.1.
In addition to the distributions specified in Sections 19605.7, 19605.71, and 19605.72, from the amounts that would normally be available for commissions and purses from wagering on all breeds, an amount not to exceed 0.05 percent of the total amount handled by each satellite wagering facility shall be distributed to the nonprofit organization designated by the board for purposes of maintaining a database of horse racing information to further the purposes of Section 19444. The amount distributable to the nonprofit organization initially shall be 0.05 percent of the total amount handled by each satellite wagering facility and may be adjusted by the board, in its discretion. The nonprofit organization shall annually submit its budget for the ensuing calendar year to the board at its November meeting and shall file quarterly financial statements with the board.

Article 11. Penalties

19660.
Any person who, without first having procured a license under Article 4 of this chapter, directly or indirectly holds or conducts any meeting where there is horse racing and betting on its results by the parimutuel method of wagering, or otherwise, is guilty of a misdemeanor.

19661.
(a) Any person who violates any of the provisions of this chapter for which a penalty is not herein expressly provided, is guilty of a misdemeanor.
(b) Unless otherwise expressly provided, the board may impose a monetary penalty of not more than one hundred thousand dollars ($100,000) for a violation of any of the provisions of this chapter.

19662.
Any person who bets upon the results of a horse race except by a parimutuel method of wagering conducted by a person licensed under Article 4 of this chapter is punishable as provided in the Penal Code.

19663.
It is unlawful for an individual performing services as a jockey, or any person representing or purporting to represent such individual, to compel or attempt to compel the State, while conducting horse racing, either directly itself or through a state agency or state instrumentality, to pay money into any fund to which it has no legal obligation to contribute.

19664.
It is unlawful for any person, for the purpose of selling or offering to sell predictions on horse races, to advertise that he has predicted the outcome of a horse race which has been run in this state, unless such person has notified in writing the California Horse Racing Board, at any of its offices, of his predictions at least three hours prior to the race involved on forms prescribed by the board. No person shall advertise

the fact that he has notified the board or use the name of the board in any way whatsoever to promote the activities described in this section.
For the purposes of this section the term “advertise” includes the use of a newspaper, magazine or other publication, book notice, circular, pamphlet, letter, handbill, tip sheet, poster, bill, sign, placard, card, label, tag, window display, store sign, radio or television announcement, or any other means or methods now or hereafter employed to bring to the attention of the public information concerning the outcome of horse races.
Nothing herein contained shall apply to any daily newspaper of general circulation which is regularly entered in the United States mail, or any other daily publication carrying complete past performances of horses entered in races, or to any regularly published magazine or periodical devoted to racing news, which magazine or periodical has been published for at least two years.
Violation of this section is a misdemeanor.

19665.
The board shall establish such rules and regulations for horse sales or horse auction sales of racehorses or breeding stock that is used in the production of racehorses which are held or conducted on the premises of any racing association under the jurisdiction of the board as are reasonably necessary to provide the horses, owners, and general public with adequate protection. Such rules and regulations shall provide for regulation of the medication or drugging of racehorses sold at horse sales or horse auction sales as provided in this section.

19666.
A person shall not alter or counterfeit, or attempt to alter or counterfeit, any parimutuel ticket.

19667.
No person shall knowingly have in his possession any altered, forged, or counterfeit parimutuel ticket.

19668.
(a) On and after July 1, 1995, it shall be unlawful for any person to enter or accept the entry of a horse in a race upon which there is parimutuel wagering until two years after the horse’s foaling date.
(b) Every person who violates this section is guilty of a misdemeanor. The board may suspend the license of any person who violates this section for a period of not more than one year.

BUSINESS AND PROFESSIONS CODE,
DIVISION 8. SPECIAL BUSINESS REGULATIONS,
CHAPTER 4.5. MULE RACING

19700.
“Board” as used in this chapter means the California Horse Racing Board.

19701.
Notwithstanding any other provision of law, a mule racing meeting or mule races may be conducted by any fair.

19702.
The board shall administer this chapter and shall issue a license for the conducting of a mule racing meeting or mule races.

19703.
The board, in cooperation with American Mule Association representatives, shall adopt rules governing, permitting, and regulating mule racing and wagering on the races under the parimutuel system. Such wagering shall be conducted only by a person licensed under this chapter to conduct a mule racing meeting, and only within the inclosure, and on the dates for which mule racing has been authorized.

19704.
The board shall issue a license for owners, trainers, jockeys, and other participants in mule racing. The license shall be limited to mule races only.

19705.
Associations licensed pursuant to this chapter shall deduct the applicable license fees, commissions, and purses in the same percent- ages as provided for in Article 9.5 (commencing with Section 19610) of Chapter 4. Associations may also deduct an additional amount of up to 3 percent on multiple wagering pools in the same manner as provided for by Section 19614.2.