CALIFORNIA HORSE RACING BOARD 1010 HURLEY WAY, SUITE 300 SACRAMENTO, CA 95825 (916) 263-6000 FAX (916) 263-6042



# **REGULAR MEETING**

of the California Horse Racing Board will be held on Thursday, July 19, 2007, commencing at 10:00 a.m., at the Del Mar Surfside Race Place, (Downstairs General Admission Area) 2260 Jimmy Durante Blvd., Del Mar, California.

# **AGENDA**

# **Action Items:**

- 1. Approval of the minutes of the regular meeting of June 19, 2007.
- 2. Discussion and action by the Board on the Application for License to Conduct a Horse Racing Meeting of the Bay Meadows Racing Association (T) at Bay Meadows, commencing August 22 through November 4, 2007, inclusive.
- 3. Discussion and action by the Board on the Application for License to Conduct a Horse Racing Meeting of the Los Angeles County Fair (F) at Fairplex, commencing September 7 through September 24, 2007, inclusive.
- 4. Public hearing by the Board on the **proposed amendment of CHRB Rule 1978, Select Four,** to provide other alternatives, instead of substituting the post-time favorite, for a horse scratched from any leg of the Select Four.
- 5. Public hearing by the Board on the proposed addition of: Article 10.5, Mule Racing, to provide an Article unique to mule racing; CHRB Rule 1747, Mule Racing Rules, to specify that mule races must adhere to Board rules in general, but rules unique to mules will be placed under Article 10.5; and CHRB Rule 1748, Shoeing Mules, to provide that mules may run unshod.
- 6. Public hearing by the Board on the proposed amendment of CHRB Rule 1849, Nerving, to prohibit nerved horses from the grounds of the racing association; from entry in a race; or from being sold or offered for sale on the grounds of a facility under the jurisdiction of the Board; and the proposed repeal of CHRB Rule 1850, Posterior Digital Neurectomy and CHRB Rule 1851, List of Nerved Horses.
- 7. Discussions and action by the Board on the feasibly of amending CHRB Rule 1685, Equipment required, to allow the use of alternate types of whips.
- 8. Discussion and action by the Board regarding the update from the Thoroughbred Owners of California concerning its proposal designed to provide support for retirement farms for horses that have retired from racing.

- 9. Discussion and action by the Board on the request by the Pacific Coast Quarter Horse Racing Association to defer action on the proposed amendment of Rule 1690.1, Toe Grabs Prohibited, for up to six months in order to conduct a study relative to the use of toe grabs greater than four millimeters on the front shoes of quarter horses while racing.
- 10. Discussion and action by the Board on the distribution of race day charity proceeds of the Los Angeles Turf Club, Incorporated in the amount of \$252,873 to 46 beneficiaries.
- 11. Staff mid-year report on the following race meets:

#### Concluded race meets:

- A. Pacific Racing Association at Golden Gate Fields from December 26, 2006 through February 11, 2007.
- B. Los Angeles Turf Club at Santa Anita from December 26, 2006 through April 22, 2007.
- C. **Bay Meadows Racing Association** at Bay Meadows from February 14, 2007 through April 22, 2007.
- D. **Pacific Racing Association** at Golden Gate Fields from April 25, 2007 through June 10, 2007.
- E. San Joaquin County Fair at Stockton from June 14, 2007 through June 24, 2007.

## In progress race meets through June 30, 2007:

- A. Sacramento Harness Association at Cal Expo from December 28, 2006 through July 28, 2007.
- B. Los Alamitos Quarter Horse Racing Association at Los Alamitos from December 28, 2006 through December 28, 2007.
- C. Hollywood Park Racing Association at Hollywood Park from April 25, 2007 through July 15, 2007.
- D. Alameda County Fair at Pleasanton from June 27, 2007 through July 8, 2007.
- 12. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** Persons addressing the Board under this item will be restricted to **five (5) minutes** for their presentation.
- 13. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by Section 11126 of the Government Code.
  - A. Personnel
  - B. Board may convene a Closed Session to consider any of the attached pending litigation.
  - C. The Board may also convene a Closed Session to consider any of the attached pending administrative licensing and disciplinary hearings.

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at <a href="www.chrb.ca.gov">www.chrb.ca.gov</a>. \*Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

# **CALIFORNIA HORSE RACING BOARD**

Richard B. Shapiro, Chairman
John C. Harris, Vice Chairman
John W. Amerman, Member
John Andreini, Member
Jesse H. Choper, Member
Marie G. Moretti, Member
Jerry Moss, Member
Ingrid J. Fermin, Executive Director

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PROCEEDINGS of the Regular Meeting of the California Horse Racing Board held at the Hollywood Park Sunset Room, 1050 South Prairie Avenue, Inglewood, California, on June 19, 2007.

Present:

Richard B. Shapiro, Chairman John C. Harris, Vice-Chairman

John Andreini, Member Jesse H. Choper, Member Jerry Moss, Member

Ingrid J. Fermin, Executive Director

Derry L. Knight, Deputy Attorney General

#### **MINUTES**

Chairman Shapiro asked for approval of the minutes of the Regular Meeting of May 22, 2007. Vice-Chairman Harris **motioned** to approve the minutes. Commissioner Moss **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE SAN MATEO COUNTY FAIR (F) AT BAY MEADOWS FROM AUGUST 8 THROUGH AUGUST 19, 2007, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the San Mateo County Fair (SMCF) proposed to run 11 days, one day less than in 2006, for a total of 103 races, 11 fewer races than in 2006. Ms. Wagner stated the first post time would be 1:45 p.m. daily, and 1:15 p.m. on Pacific Classic Day. The stabling and vanning contract, which the analysis indicated were missing, were received, and staff recommended the Board approve the application as presented. Chairman Shapiro asked if SMCF would run nine or ten races on Saturday and Sunday. Bernie Thurman of SMCF said during the weekend her organization would run nine races for thoroughbreds and one for other breeds. Chairman Shapiro asked why SMCF did not have stakes races

for thoroughbreds. Ms. Thurman stated SMCF did not receive an allocation of supplemental purse funds, so it was difficult to balance the purse account. However, she noted in 2006 SMCF was able to fill five thoroughbred allowance races. Vice-Chairman Harris stated Northern California needed to reestablish itself as a venue for year-round opportunities for horses that could run in all categories, and a stakes program was important to California breeders. He said he hoped SMCF could find a stakes category that would work, because with its turf course SMCF had a lot of advantages over other tracks. Vice-Chairman Harris added he hated to see a loss of stakes opportunities as the overall circuit was hurt when there were none. Ms. Thurman said there was always the opportunity to fill an overnight stake with Thoroughbred Owners of California permission. If SMCF found a unique category that it thought it could fill it could write such a race. Chairman Shapiro asked what efforts besides shuttle buses were being made to bring fair-goers to the track. Chris Carpenter of SMCF said the shuttle buses would also pick up fans at the Hillsdale CalTrans station and deliver them to track. Jeff Hinds of SMCF spoke about the fair's marketing plans. SMCF would use such devices as free track admission for all fair attendees and free grandstand passes upon entry of the main gate at the fair. Racing promotional materials would also be distributed on the fair grounds. In addition, jockeys would be available at the fair during non-racing hours, and Bay Meadows staff would be available at the fair to provide wagering information. SMCF would also hold a family day at the races; pass out free t-shirts; and experiment with new technology - including a text-based horse racing game. Chairman Shapiro said SMCF's promotional campaign was very impressive. He asked if SMCF would use all the California licensed advance deposit wagering providers. Ms. Thurman said that was correct. Chairman Shapiro

asked if there were any problems with agreements that could interfere with the continuous signal. Ms. Thurman stated there were no foreseeable problems. Commissioner Choper motioned to approve the application for license to conduct a horse racing meeting of SMCF. Commissioner Moss seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE **APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE HUMBOLDT COUNTY FAIR (F) AT FERNDALE** FROM AUGUST 9 THROUGH AUGUST 19, 2007, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Humboldt County Fair (HCF) proposed to run ten days, the same number of days as in 2006, for a total of 75 races, the same number of races as in 2006. The first post time would be 1:55 p.m. on the weekend; 2:25 p.m. Monday, Wednesday and Thursday; and 2:55 p.m. Friday. The stabling and vanning agreements, which the analysis indicated were missing, were received, and staff recommended the Board approve the application as presented. Chairman Shapiro asked if HCF had the necessary camera equipment for the stewards to properly officiate racing. Stuart Titus of HCF said there were cameras at the finish line and on each of the turns. He stated there was also a head-on camera from the front side and the backside. Chairman Shapiro asked why there were six races on Wednesdays and seven or nine on Sundays. Mr. Titus said that was the case for nearly 16 years. It was a matter of managing racing opportunities for horses and going with a stronger program on days with more attendance. Chairman Shapiro asked what was the maximum field size. Mr. Titus said the maximum field was eight. Chairman Shapiro asked if HCF would run later to match Del Mar's four o'clock Fridays. Mr. Titus stated there was a fine line between fitting in with the Del Mar signal and satisfying the concerns of local fans. It was the HCF

board's recommendation that the Friday first post be moved to 2:55 p.m. Mr. Titus added fog was a problem – despite the extended daylight hours. Chairman Shapiro asked if HCF had any future plans for improvements that would benefit the fans. Mr. Titus said with HCF's limited resources the fair focused on one project at a time. In 2007, the focus was on the racing office and jockey's quarters, and there were plans to upgrade the grandstands. Vice-Chairman Harris asked if HCF thought its dates were appropriate, and if they tied into other activities. Mr. Titus stated the August dates were traditional, and although there had been conversations regarding moving the dates, there were other community events during the summer that presented difficulties. Commissioner Moss motioned to approve the application for license to conduct a horse racing meeting of HCF. Vice-Chairman Harris seconded the motion, which was unanimously carried.

DISCUSSION AND ACTION BY THE BOARD ON THE **APPLICATION TO CONDUCT** A HORSE RACING MEETING OF THE SACRAMENTO HARNESS ASSOCIATION (H) AT CAL-EXPO FROM AUGUST 1 THROUGH DECEMBER 22, 2007, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Sacramento Harness Association (SHA) proposed to run 77 nights, three more nights than in 2006, for a total of 1,046 races. The first post time would be 5:35 p.m., Wednesdays and Thursdays; 6:20 p.m. Fridays and Saturdays through September 30, 2007; and 5:35 p.m. beginning October 3, 2007, until the end of the race meeting. Ms. Wagner stated SHA would coordinate its post time with Los Alamitos Quarter Horse Racing Association, and the racing fairs' thoroughbred twilight and evening races. She added the advance deposit wagering providers would be TVG and YouBet. Staff recommended the Board approve the application as submitted. Chairman Shapiro asked if the

California Exposition and State Fair (CESF) elected to run a meet in 2007. Richard Feinberg of SHA said CESF would not run a meeting. SHA would lease the facility and run a harness meeting during the fair. Chairman Shapiro stated the application indicated the average daily purse would be down for the meeting. He asked why that would happen. Mr. Feinberg said there was an overpayment of up to \$1.4 million, so purses were cut to make up the difference. As much as \$400,000 of the overpayment was erased, and if it was reduced a little more SHA would like to raise purses. Vice-Chairman Harris asked why SHA would not run on Labor Day. Mr. Feinberg stated that was a night SHA was not normally open, and the historical return in dollars wagered was not favorable. Chairman Shapiro said he understood the harness industry was going through some uncertainty regarding a venue at which to operate. He stated there needed to be a meeting to try and solidify where harness racing would go, so the industry could have some assurance regarding its future in California. Ralph Scurfield of SHA said he agreed with Chairman Shapiro and stated he would take the lead in working with the industry. He commented the uncertain situation at Cal-Expo caused an outflow of horses that SHA was working to reverse. SHA was also working to increase purses, which had been cut. Chairman Shapiro said he thought SHA was to provide a half-million dollar bond or letter of credit to ensure its financial obligations. He stated he did not see such an instrument in SHA's financial statement. Mr. Scurfield said he would have to look into the matter. Chairman Shapiro stated SHA was a nonprofit and there needed to be sufficient capital available for any possible liabilities. Chairman Shapiro asked how many Cal-bred standardbred horses were in the State of California. Jim Perez of California Harness Horsemen's Association (CHHA) stated there were approximately 250 Cal-bred standardbreds foaled in 2007 in California. Chairman

Shapiro said the application indicated \$800,000 was allocated to the California Sires Stakes program. He asked how many horses were participating in the different stakes. Mr. Perez said there were four categories of stakes, and the participation depended on which horses qualified. Chairman Shapiro asked if the same horses were winning the races. Mr. Perez said the winning horses were spread around, and only one horse in the three-year-old colts dominated. He commented the colt was exceptional and probably the best trotter seen in California in a long time. Chairman Shapiro asked if the Sires Stakes program was growing and stimulating breeding. Mr. Perez said the program had improved tremendously. With the help of SHA, the CHHA and others, the purses were up and the awareness of California's breeding program was also increasing. Commissioner Moss motioned to approve the application for license to conduct a horse racing meeting of SHA conditioned on a \$500,000 bond for payment of obligations in connection with the operation of the meeting being on deposit with the Board. Vice-Chairman Harris seconded the motion, which was unanimously carried.

UPDATE BY REPRESENTATIVES OF MAGNA ENTERTAINMENT CORPORATION (MEC) CONCERNING THE STATUS OF THE REDEVELOPMENT OF THE BARN AREA AT THE SANTA ANITA PARK RACE TRACK.

Chairman Shapiro read a statement issued by Frank Stronach of Magna Entertainment Corporation (MEC).

"I appreciate the opportunity to be here today before the California Horse Racing Board to talk about two important matters. The first matter is a question of reputation, which I am very concerned about. I pride myself on always being one to keep my word. I can always make money but it's very difficult to rebuild a damaged reputation. Last month our CEO, Michael Neuman, wrote a letter to the City of Arcadia regarding the barn area at Santa Anita. Unfortunately, the letter contained a very poor choice of words in stating that there were never any plans to build barns at Santa Anita. I did not see the language in Mr. Neuman's letter until after it was sent. Had I seen the letter before it was sent, I would have made clear that MEC has always been committed to repairing, renovating, and rebuilding the barns and dorms at Santa Anita. Over the years, many conceptual ideas have been discussed both within MEC and with the City of Arcadia. In fact, numerous conceptual drawings have been generated over the years. MEC remains committed to repairing, renovating and rebuilding the barns and dorms at Santa Anita, although there are not definitive construction plans or drawings at this time, detailing these renovations. We all know it is very complex and difficult to satisfy the legal, historical and environmental issues surrounding development at Santa Anita and at present we do not have definitive plans that could be submitted to the City. In order to be able to formulate such plans, I propose forming a small committee composed of three horse owners, three trainers and two people from MEC's corporate office. Ron Charles would chair the committee. This committee would immediately hire a planning and historical consultant to expedite the approval process for synthetic racing surfaces at Santa Anita and Golden Gate Fields, and for rebuilding and repairing of barns and dorms at

Santa Anita. MEC will allocate a total budget for these projects of \$24 million. This committee will prepare the definitive plans for both the track resurfacing and the barns and dorms, and then those definitive plans will be presented to the City for approval. Under the present circumstances, the return of our investment is very unsatisfactory. For the record, we have invested close to \$350 million in California and our return is practically nil. Nevertheless, the additional \$24 million is a sign of goodwill towards the thoroughbred horse racing industry in California. The second matter I want to discuss is the importance of regulatory reform. I am proposing that we create a thoroughbred horse industry stakeholder committee, which will look at regulatory reforms for the California horse racing industry. We believe that the present regulations are outdated and that left unchanged the existing regulatory framework will cause the California horse racing industry to continue to deteriorate. Even though MEC is a major player in the race horse industry in America, we do not seek to dominate horse racing. We would like to ensure the key stakeholders are represented and have an important voice in this process. I am convinced that together we can create a viable future, but we need to take action. I hope the CHRB would play a major role in this exercise. I will leave you with a booklet with some ideas of what could be done to help our industry prosper in the future. I believe these proposals would lead to a viable horse industry business for the long term, and thereby, I believe I could convince my Board to commit our California racing lands to perpetuity as racetracks if we adopt the right framework, but we must act now before it is too late. Thank you, Chairman Shapiro. I would be happy to answer any questions."

Chairman Shapiro asked if Santa Anita would install a synthetic racing surface in the near future. Mr. Stronach said the capital was committed and management had full authority to proceed with the installation of a synthetic racing surface; the same was true for Golden Gate Fields (GGF). Chairman Shapiro asked if a synthetic track would be installed at Santa Anita prior to the Oak Tree meeting. Mr. Stronach stated Santa Anita management assured him a synthetic surface would be installed prior to the Oak Tree meeting. Mr. Stronach said upon his purchase of Santa Anita extensive plans for rejuvenation of the entire facility were developed. About \$70 million was spent on modifications to the grandstand and the installation of a dinning room. In total, MEC spent approximately \$350 million in California with little return. However, MEC was providing another \$24 million that would be used to install the synthetic surfaces at Santa Anita and GGF, as well as the renovation of the barn area at Santa Anita. Mr. Stronach stated MEC also developed ideas he believed would benefit the entire horse racing industry in California. He proceeded to talk about a brochure that outlined those ideas, and his recent meeting with the horsemen at Santa Anita. Chairman Shapiro asked how MEC would handle the rodent problem in its barn area. Mr. Stronach stated that problem would be addressed when the horses were moved out for the installation of the synthetic track. Chairman Shapiro asked if he understood correctly that: 1) a committee composed of horsemen and MEC management would make recommendations regarding backside repairs and renovations at Santa Anita, and 2) the repairs and renovations would be made using the balance of the \$24 million after synthetic tracks were installed at Santa Anita and GGF. Mr.

Stronach said that was correct. Commissioner Choper asked if Santa Anita would begin improving the barn area when it installed its synthetic track. Mr. Stronach stated he spoke with Santa Anita management regarding some ideas he had for the barn area, and was told work would begin soon. Chairman Shapiro said the Board should be kept apprised of the formation of the committee and work that might be taking place. Ron Charles of MEC stated the committee would be formed shortly and he would keep the Board informed. Vice-Chairman Harris asked if MEC saw any problems with the synthetic track. Mr. Charles stated there were currently no problems, and installation would begin July 5, 2007. Candy Young, a trainer, spoke about the backside at Santa Anita. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding Santa Anita.

PUBLIC HEARING BY THE BOARD ON THE **PROPOSED AMENDMENT OF CHRB RULE 1690.1, TOE GRABS PROHIBITED**, TO PROHIBIT THE USE OF TOE GRABS GREATER THAN FOUR MILLIMETERS ON THE FRONT SHOES OF QUARTER HORSES WHILE RACING.

Jacqueline Wagner, CHRB staff, said the proposed amendment of Board Rule 1690.1, Toe Grabs Prohibited, would prohibit the use of toe grabs greater than four millimeters in height on the front shoes of quarter horses while racing. Ms. Wagner stated the current rule prohibited the use of such shoes on thoroughbred horses. She spoke about the history of the regulation, stated no comments were received during the 45-day public comment period, and said staff recommended the Board adopt the amendment as presented. Chairman Shapiro said he understood Dr. Edward Allred, the owner of Los Alamitos, supported the proposed amendment. Paul Jones, a quarter horse trainer, stated he started all his horses with toe grabs. He said he was aware that the University of California at Davis had not conducted studies on

quarter horses; all the studies were on thoroughbred horses. Mr. Jones stated he used a regular toe grab with a high toe grab on the back, and he had few catastrophic injuries in the past ten years. He said it was crucial for quarter horses to get traction out of the gate, as when the horses slipped and could not get a hold of the ground, there were probably more injuries. Mr. Jones stated if a trainer did not believe toe grabs were good for a horse, he had the option of not using them. He added in all racing states the majority of quarter horses ran on toe Vice-Chairman Harris stated if there had not been enough comment from the quarter grabs. horse industry, perhaps the item should be put over. Dino Perez of the Pacific Coast Quarter Horse Racing Association said his organization polled its members during the 45-day public comment period and did not find any opposition to the proposed regulation. Mr. Perez stated his board did not vote on the issue, but it did not oppose the regulation. Dr. Rick Arthur, CHRB Equine Medical Director, said there was no data to prove high toe grabs put quarter horses at risk, but approving the proposed amendment was not a detriment. Dr. Arthur stated it did not matter if a horse was a quarter horse or thoroughbred when one looked at the biomechanics of the process. He added there was a disturbingly high incidence of fetlock breakdowns at Los Alamitos. Mr. Jones said if one looked at the record, the majority of breakdowns at Los Alamitos were thoroughbreds that ran in \$5,000 claiming races, and were not running with toe grabs. Commissioner Choper asked why Mr. Jones objected to changing to smaller toe grabs. Mr. Jones stated he did not believe he would be at a disadvantage if everyone ran without toe grabs. He stated he felt the Board was overlooking the differences between quarter horse racing and thoroughbred racing. Quarter horses raced out of the gate and needed traction. When horses did not get a hold of the track, they slipped, and that

created more injuries than toe grabs. No studies were done on quarter horses, and if the Board wished to ban toe grabs for quarter horses it needed to prove its hypotheses. Vice-Chairman Harris asked if Mr. Jones was aware that the rule only banned front toe grabs, and a trainer could use any toe grabs he wished on the hind end of the horse. Mr. Jones said he was aware of the provisions of the rule. He stated he felt the hind end was more important than the front, but quarter horses dug into the track to get out of the gate and the first three or four jumps were crucial. Chairman Shapiro said the item would be **deferred** until additional input could be received from the quarter horse industry.

# DISCUSSION AND ACTION BY THE BOARD REGARDING MANDATING THE USE OF SAFETY REINS AT CALIFORNIA RACETRACKS.

Mike Martin, CHRB staff, said there were two types of safety reins. One type of safety rein, the "Sure Lines" rein, had a nylon safety rein sewn into the leather rein. The nylon rein emerged at the end and was independently attached to the bit. The second type of safety rein, the "Peck" safety rein, looped around the bit, and the nylon rein looped with the rein. If the rein broke, the nylon remained. Mr. Martin said the safety reins added approximately \$10 to \$20 – plus the patient fee – to the cost of a set of reins. The jockeys supported the use of safety reins, while trainers seemed to have a mixed reaction. Trainers in opposition tended to believe it was a matter of individual responsibility and nongovernmental interference. Arthur Gray, the developer of Sure Lines safety reins spoke about his product, the reason he developed safety reins, and how the reins worked. Chairman Shapiro asked how many races were run in the United States in 2006 in which reins broke. Mr. Gray said there were no statistics; however, the Association of Racing Commissioners International (ARCI) was

working on accident information and documentation. Chairman Shapiro asked if Mr. Gray was advocating using safety reins in all cases, or only during galloping, exercising and racing. Mr. Gray stated his research indicated there were more accidents in the mornings during workouts. There was also the issue of liability if safety reins were not mandated for the full racetrack facility. Chairman Shapiro said that meant the mandate would be the use of safety reins at all times. Chairman Shapiro asked if Ohio was going to mandate safety reins beginning in July 2008. Mr. Gray said Ohio did mandate the reins, but horsemen were trying to get the State to reconsider the issue. Other states were waiting to see what would happen in California, and the ARCI adopted a model rule in May 2007. Mr. Gray stated he knew horsemen were worried about the additional costs, and that was why he recommended an 18month transition period. That would give horsemen time to replace conventional reins without creating a financial burden. Chairman Shapiro stated the Board was always concerned about safety, but the issue was the ability of riders to make decisions regarding the equipment they wished to use. Vice-Chairman Harris said the trainer usually brought the reins to the horse, and every trainer might use different bits on different horses. There should be an understanding between the rider and the trainer regarding the use of safety reins. Mr. Gray said that was something he did not think would happen. Half the time if a driver or rider insisted on using safety reins, the trainer would simply get another driver or rider. Another argument for making such reins mandatory was to ensure everyone was using them. If the horse that did not have safety reins lost a rein, it would not matter that another jockey or driver did use safety reins; unless there was full compliance, the horse without safety reins was a danger to the remainder of the field. Darryl Haire of the Jockey's Guild (Guild) said the

bottom line was that reins were breaking too often. Safety reins were as important as synthetic surfaces and they needed to be mandated just like safety vests. Brain Peck of "Peck" safety reins spoke about the design of his reins. Chairman Shapiro asked if the "Peck" rein would break. Mr. Peck said if the reins went over the horse's head, and the horse stepped on them, they would break at the end of the rubbers. Mr. Peck stated the head of the engineering department at Western Kentucky University tested his reins. Chairman Shapiro said one issue was how to define safety reins. Mr. Peck stated that was a problem in most states. Ohio was going to look into the issue, as it was not sure how to define such reins, though it mandated their use by July 2008. Chairman Shapiro said he was not opposed to mandating safety reins, but how did the Board regulate a rein when it had no definition? Ms. Wagner said Assembly Bill (AB) 1180 defined safety reins as: "...a type of rein that is reinforced with 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." She added AB 1180 defined a conventional rein as any rein other than a safety rein. Ed Halpern of California Thoroughbred Trainers (CTT) said the issue was safety, but it was not clear which was safer: a rein that would break under certain circumstances, or a rein that would not break under other circumstances. Mr. Halpern stated he spoke with several prominent, long-standing trainers who have said they were against mandating safety reins. The reason those trainers used leather, as opposed to nylon or other materials, was that they wanted the reins to be able to break. Mr. Halpern said there had been no injuries based on or created by conventional reins breaking in CTT's experience with running the trainers' worker's compensation program for over four years. He stated that included a hundred thousand mounts in afternoon racing and

four and a half years of morning training. Mr. Halpern said liability would cut both ways; the Board was going to be sued regardless of what safety rein it mandated because there could always be a situation in which the rein might cause injury. Vice-Chairman Harris asked if it were clear safety reins would not break. He said he thought there was some amount of tension at which they would break. Mr. Halpern said the "Peck" reins were designed to break. The Sure Lines safety rein was 30 to 40 pounds stronger than conventional reins, but they would Commissioner Choper asked if Sure Lines safety reins would break under the break. conditions described by Mr. Halpern. Mr. Gray stated his reins would break. Mr. Halpern said the CTT worker's compensation program ordered approximately 110 sets of the safety reins, and was planning to distribute them. He stated the CTT planned to obtain safety reins from other manufacturers for distribution. Mr. Halpern asked that the Board defer the issue to give the CTT time to make a determination as to whether safety reins did prevent injuries. He stated CTT would like up to four months of use to see what the results might be. Vice-Chairman Harris asked if some trainers were currently using safety reins. Mr. Halpern said some trainers were using such reins, but there had not been a complete or extensive trial. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding safety reins. Paul Jones, a trainer, spoke about the pair of nylon reins he crafted to replace traditional leather reins. Vice-Chairman Harris asked if the Guild had a position on nylon reins. Mr. Haire said some of the conventional reins were nylon. The safety aspect was their ability to break, and have backup from a safety rein. Vice-Chairman Harris asked what the breaking point of nylon was, because one aspect of the issue is at some point, one might want the rein to break. Mr. Gray said on nylon reins the buckle would break. Nylon would not break over time, as the

weather would not deteriorate the material. Mr. Jones said his reins were safe. Nylon would not dry rot inside and tear easily. Chairman Shapiro stated the issue was going to be how the Board described safety reins and how a rule would be enforced. Dino Perez, a trainer, said the various breeds could not be compared with regards to accidents involving conventional reins. He stated the harness industry saw many fewer accidents with reins than thoroughbreds or quarter horses. Harness drivers also supplied their own reins, so if a driver wanted to use safety reins, there would be no problem. Mr. Perez stated if a harness driver wanted to use safety reins, the Board should let the drivers buy their own. Commissioner Moss said he thought the issue involved jockeys and trainers, and for the Board to create a mandate without completely understanding the difference between nylon and leather made the Board liable; there needed to be more study. Commissioner Moss also said he agreed that if the jockeys wanted to use safety reins, they should negotiate with the trainer. Chairman Shapiro said the issue would be **deferred** until such time as a satisfactory test of the various types of safety reins could be completed.

REPORT AND DISCUSSION BY THE BOARD REGARDING THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION'S JUNE 13, 2007, MEETING CONCERNING "CALIFORNIA HORSE RACING BOARD OVERSIGHT: SYNTHETIC TRACKS AND RACING DATES."

Chairman Shapiro said the Senate Committee on Governmental Organization held a hearing on June 13, 2007. The intent of the meeting was to look at issues relating to horse racing and synthetic racing surfaces. He stated the meeting was informative and useful, and those who attended voiced the Board's desire to work with the Legislature to help the industry meet common goals.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE STATUS OF BAY MEADOWS RACE TRACK AND THE NORTHERN CALIFORNIA RACING CALENDAR.

Chairman Shapiro said there was some confusion regarding his stance on granting Bay Meadows a waiver. He stated he was not opposed to a waiver for a defined period of time. The Board wished to maintain a cohesive, ongoing racing program in Northern California, so it should look at granting a 2008 racing year waiver to Bay Meadows. Commissioner Moss asked what was the status of Golden Gate Field's (GGF) synthetic racing surface. Robert Hartman of GGF said the City of Albany informed him it would make a decision regarding a permit to install a synthetic racing surface at GGF by the end of business on June 19, 2007. He stated there was some concern regarding the appeals process. Several groups, including the Sierra Club, indicated they would appeal a permit. To install a synthetic track in 2007, GGF would need a quick appeals process and all of the suppliers and vendors would have to be lined up and ready. Vice-Chairman Harris asked where the materials for the synthetic track were located. Mr. Hartman said the materials for the track were on the East Coast. He stated the first part of the project was construction, so the manufacturer would have some time to mix the materials, which would happen on the West Coast. Mr. Hartman said the new rail was at GGF, and the contractor stated a minimum of two weeks would be needed to purchase the supplies for the subsurface. Vice-Chairman Harris asked how much time was allowed for appeals to be filed. Mr. Hartman said 14-days would pass before GGF knew if there were appeals. If the appeals went through City planning and zoning, then to the city council, it could take a month. Otherwise, appeals could be taken directly to the city council. Mr. Hartman added the Bay Conservation and Development Council (BCDC) would also have to

issue a permit to GGF. He stated GGF could not apply for a BCDC permit until the City of Albany made its determination. Commissioner Choper asked if GGF had any reason to believe there would be a judicial appeal. Mr. Hartman said he did not know of any party who would resort to a judicial appeal. He stated he believed the work that GGF and the City of Albany did during the permit process would facilitate any appeal because of the city staff's level of detail. Chairman Shapiro asked if it would be possible for GGF to trade some days with Bay Meadows to be able to complete the installation. Mr. Hartman said it would take a creative solution. One obstacle was the number of days allowed for racing in 2008. If GGF traded two or three weeks, it would want to make them up in 2008, and that might put it over the 22week maximum. Bernie Thurman of Bay Meadows said her organization would be willing to work with GGF to find a way to allow it to install a synthetic surface. Vice-Chairman Harris asked if there was anything that could be done to expedite the process. Mr. Hartman said input from the Board could help. He stated GGF was working with its Assembly and Senate representatives, but political pressure on the City had not succeeded. commented the City of Berkeley was looking for dirt for its ball field, and the dirt from GGF would be ideal. If the dirt was donated it could save Berkeley a quarter million dollars. If the process was expedited, it could be a win/win situation for Berkeley and GGF. Commissioner Moss said the Board received support from all facets of the industry for its decision not to grant Bay Meadow a waiver. He stated, however, the Board could not afford to close down racing in Northern California. Commissioner Moss said he would suggest that GGF be included in the waiver if one was granted to Bay Meadows. Ron Charles of Magna Entertainment Corporation said GGF was cautiously optimistic that it could install its synthetic

track in 2007. He stated he would hesitate to take a premature position regarding a waiver, but by the July Regular Meeting GGF would have a better idea of its timelines. Chairman Harris said he would hesitate to issue a blanket waiver to both tracks unless it was the only alternative. Bay Meadows might not be operating in a year's time, while GGF would be around for a long time, so it made sense to install a synthetic track surface. Vice-Chairman Harris asked how long it would take GGF to install its synthetic track. Mr. Hartman said because of the city's restrictions on construction hours it would take between three and a half to four months. If construction hours could be extended, installation time could be reduced to a little as three months. Commissioner Moss asked if 2008 was Bay Meadows last year to operate. Jack Liebau of Bay Meadows said it was likely that 2008 would be Bay Meadows last year. Chairman Shapiro asked if Bay Meadows would be available throughout 2008 for racing and training. Mr. Liebau said Bay Meadows would prefer to run as early as possible in 2008, and it felt it had an obligation to accommodate the San Mateo County Fair, which ran in August. He added Bay Meadows would also be willing to swap dates with GGF so it could install its synthetic track. Chairman Shapiro said as the Board moved to decide the 2008 dates it had to figure in the closure of Bay Meadows, as well as stabling and housing, so it needed to know how much notice there would be to prepare. Mr. Liebau said Bay Meadows would have an answer when race dates were allocated in August or September 2007. Once the dates were allocated, Bay Meadows would do everything to run. Mr. Liebau stated there could be some arrangement wherein sufficient notice could be given regarding the availability of the barns. Or, the barns might be available as long as the dismantling of the grandstand did not endanger horses. Chairman Shapiro asked if Bay Meadows was able to meet with the Northern

California stakeholders to discuss a 2008 racing calendar. Mr. Liebau said a meeting took place, but things were being tried in Northern California with the fairs and it was a bit premature to make decisions. He stated all options were still open. Commissioner Choper asked when the stakeholders would meet again and reach some decisions. Mr. Liebau said the stakeholders would meet in mid to late June 2007. Tom Bachman of Thoroughbred Owners of California (TOC) stated GGF faced many difficulties with the installation of its synthetic racing surface. The BCDC was a powerful organization, and there were others that could delay the process. It would probably be 2008 before GGF could install its racing surface. Mr. Bachman said he would propose that the 2007 racing calendar be used if the question of 2008 Northern California race dates could not be settled by August 2007, and the synthetic track at GGF were not installed in a timely manner. Mr. Bachman stated if Bay Meadows refused, then it could close in 2007 and the industry in Northern California could move forward. The Northern California tracks that wanted to step forward to fill the void left by Bay Meadow's closure could not make plans unless they had a definite date. He reminded the Board that such tracks would also have a permit process, and as Northern California had a definite rainy season, there would be times when the construction process would be restricted. Chairman Shapiro said the parties should meet and return to the Board at a future date with a consensus. He asked if any member of the Board had a problem granting Bay Meadows a one-year waiver for 2008. Commissioner Choper said it seemed the discussion at the May 2007 Regular Meeting was on the condition that Bay Meadows operated for the allocated number of dates it was trying to achieve, and it seemed there was general sympathy with that point of view. Chairman Shapiro said that was correct, but there were two issues: 1) granting a waiver and 2)

2008 racing dates. No dates would be decided by simply agreeing that for 2008 Bay Meadows would receive a waiver regarding the installation of a synthetic racing surface. Commissioner Moss said he would like to include GGF in a waiver because of the uncertainty of installing a synthetic track at that facility. Chairman Shapiro stated he would like to limit the issue to Bay Meadows – unless there was a real need to address GGF. Commissioner Moss said granting Bay Meadows a waiver would be a reversal of the previous vote. If there were circumstances that necessitated granting a waiver, other than politics, they should be cited and explained. Vice-Chairman Harris said the original request was for a two-year waiver. The current issue was a one-year waiver. There was some thought that other tracks would install synthetic surfaces, but only GGF made such a commitment. That presented a reasonable reason to grant Bay Meadows a one-year waiver, as there was no place else to run. Chairman Shapiro said the item was deferred.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE STATUS OF THE SHORTFALL PAYABLE TO THE STATE BY THE RACING ASSOCIATIONS AND FAIRS PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19616.51.

Roberto Zavala, CHRB staff, said the State's charge of horse racing revenue was deposited to the State's General Fund or a Special Fund, one of which was the Fairs and Exposition (F&E) fund. The total amount paid to the State by racing associations and racing fairs for the years 2005 and 2006 did not reach the \$40 million threshold contained in Business and Professions (B&P) Code Section 19616.51 by a combined \$1.528 million. On January 26, 2007, the Board sent a letter notifying racing associations and racing fairs of the shortfall. B&P Code 19616.51 required that the racing associations and racing fairs pay a pro rata share of the

shortfall by March 1, 2007. To date, \$101,361 had been submitted. Some associations questioned the dollar amounts reported. Mr. Zavala stated staff was recommending that a discussion of the shortfall be undertaken and any action await final determination and legal opinion regarding all amounts that should or must be included in the calculation of the \$40 million baseline. Vice-Chairman Harris asked if the racing associations and horsemen were able to access backup data for the item. Bernie Thurman of Bay Meadows Racing Association said the industry received information regarding the shortfall. Ms. Thurman stated in November 2006 she and CHRB staff met with F&E staff to review the F&E figures. The parties were comfortable with the figures, and a letter was sent to the industry. The first response was from Jack Liebau who stated he thought the calculations were incorrect. The monies that were submitted have been placed in an account until a Legislative Council opinion can be obtained regarding what should transpire and who owed what, if anything. Chairman Shapiro said he did not think the Board was in a position to discuss the item. He noted there were conflicting opinions regarding the issue, and the Deputy Attorney General had not had time to conduct research critical to the Board's understanding. Commissioner Choper said the Board should have a legal opinion regarding how the statute defined where the funds ought to Richard "Bon" Smith, CHRB staff, said staff intended to seek legal guidance from Legislative Counsel regarding the specific intent of the statute. Staff received assurances from the F&E staff that the F&E Fund, the Satellite Wagering account, and the Equine Research Fund were to be the recipients of \$40 million. However, questions about when monies went in the fund, and when it was accounted for, needed to be answered. Mr. Smith stated staff wanted to ensure the Board was aware of the issue before the end of the fiscal year. Chairman

Shapiro **deferred** the item. Richard English, a Certified Public Accountant, spoke about his concerns regarding issues surrounding the shortfall. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding the shortfall.

DISCUSSION AND ACTION BY THE BOARD ON THE **DISTRIBUTION OF RACE** DAY CHARITY PROCEEDS OF THE OAK TREE CHARITABLE FOUNDATION IN THE AMOUNT OF \$66,800 TO 25 BENEFICIARIES.

Roberto Zavala, CHRB staff, said the Oak Tree Charitable Foundation (OTCF) proposed to distribute \$66,800 in charity race day proceeds to 25 beneficiaries. Mr. Zavala stated the distribution provided more than 83 percent to industry related organizations, and staff recommended the Board approve the request as presented. Vice-Chairman Harris **motioned** to approve the request by OTCF to distribute charity race day proceeds. Commissioner Moss **seconded** the motion, which was **unanimously carried**.

# REPORT OF THE MEDICATION COMMITTEE

Chairman Shapiro said the Medication Committee (committee) met on June 18, 2007. The committee heard a number of issues, including the reclassification of drugs, tracking injuries and accidents, and pre-race examination procedures.

DISCUSSION AND ACTION BY THE BOARD ON THE **PROPOSED AMENDMENT TO RULE 1843.2, CLASSIFICATION OF DRUG SUBSTANCES**, TO RECLASSIFY SPECIFIED DRUG SUBSTANCES.

Dr. Rick Arthur, CHRB Equine Medical Director, said the proposed amendment to Board Rule 1843.2, Classification of Drug Substances, was a technical change that encompassed

approximately 48 drugs that had not previously been classified. The drugs were primarily non-steroidal anti-inflammatory drugs, similar to Phenylbutazone and Advil, and anabolic steroids, which also needed classification. Dr. Arthur added the Association of Racing Commissioners International Veterinary Pharmacy Committee recommended the drugs. He spoke about specific drugs and his recommendations for classifying them. Vice-Chairman Harris said if anabolic steroids were something the Board was testing for, how would the Board enforce its rule if horses shipped in from other states were administered such drugs. They could have been administered in California, or they could have been administered out of state. Dr. Arthur said the drugs were Category "D" drugs, which would only result in a warning. He stated that would not change. The Board would take action on some of the exotic anabolic steroids that were rarely used. The most commonly used anabolic steroids were rarely called unless they were used too close to a race. Vice-Chairman Harris said many horses on the backstretch were on Winstrol or Equipoise. He asked if a positive would come back with a warning every time. Dr. Arthur stated the Board tested for those drugs; they were Class 4 drugs, but they were only called in unusual circumstances. Commissioner Moss motioned to instruct staff to initiate a 45-day public comment period for the proposed amendment of Board Rule 1843.2. Vice-Chairman Harris seconded the motion, which was unanimously carried.

# **PUBLIC COMMENT**

Cliff Goodrich, representing Fairplex Park Pomona (Fairplex), spoke about the future of horse racing in California. He stated September 23, 2008, was the last date Hollywood Park was

committed to run unless there was acceptable mitigation. The industry could plan a long-term calendar with Hollywood Park, or it could plan one without that facility, but the planning needed to be done. Fairplex suggested the reactivation of the Strategic Planning Committee to commence discussions on a calendar for 2008, 2009 and beyond, and that the industry continue to push for significant legislation. More importantly, Hollywood Park needed to inform the Board of its plans, so the industry could have certainty and could move forward. Vice-Chairman Harris said the Attorney General's office needed to research the Board's ability to construct a multi-year racing calendar. Deputy Attorney General Derry Knight said the Board had the ability to issue race dates for multiple years. Jerry Jamgotchian, a horse owner, spoke to the Board about his concerns regarding horse racing in California. Commissioner Choper and Executive Director Ingrid Fermin addressed the nature of Mr. Jamgotchian's comments, and his view of the workings of the Board. Chairman Shapiro added his thoughts on the input provided by Mr. Jamgotchian. In addition, he stated he was sad to acknowledge the death of Mr. Ed Friendly, a well-respected horse owner, and founder of Thoroughbred Owners of California.

# **MEETING ADJOURNED AT 2:38 P.M.**

Chairman	Executive Director
therefore made a part hereof.	
California Horse Racing Board, 1010 Hurley	Way, Suite 300, Sacramento, California, and
A full and complete transcript of the aforesaid	d proceedings are on file at the office of the

# STAFF ANALYSIS July 19, 2007

Issue:

APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE BAY MEADOWS RACING ASSOCIATION AT BAY MEADOWS AUGUST 22, 2007 THROUGH NOVEMBER 4, 2007.

Bay Meadows Racing Association filed its application to conduct a thoroughbred horse racing meeting at Bay Meadows:

- August 22 through November 4, 2007, or 52 days. The association proposes to race a total of 447 races, or 8.60 per day. The (estimated) average daily purse for this meet is \$173,951. They did not conduct racing during the prior year timeframe.
- The race dates proposed are the dates the Board allocated.

August - 2007						
Sun	Mon	Mon Tue	Wed	Thu	Fri	Sat
			i	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September - 2007						
Sun	Mon	Mon Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	27	28	29

October - 2007						
Sun Mon Tue Wed Thu Fri						Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

November - 2007							
Sun	Mon	Tue	Thu	Fri	Sat		
				1	2	3	
4	5	6	7	8	9	10	
11	12	13	14	15	16	17	
18	19	20	21	22	23	24	
25	26	27	28	29	30		

- Racing 5 days per week, Wednesday through Sunday, with 8 races weekdays and 9 or 10 weekends, holidays.
  - Option to request administrative approval to conduct more than an average of 8.6 races each day if the horse population permits additional racing.
- First post 12:45 p.m. daily with a 7:00 p.m. post September 21, 28 and October 5, 12, 20.
  - Post times to be adjusted as necessary to coordinate with post times at other California tracks. Special post times for Breeders' Cup day to be determined.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use all CHRB rules.
  - Advance day wagering on Breeders' Cup Future Pools on dates to be determined.
- The Advance Deposit Wagering (ADW) providers are TVG, Xpressbet and Youbet.
- · Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and

Professions Code Section 19602; and with authorized locations throughout California.

• Inspection of backstretch worker housing completed.

# RECOMMENDATION:

Staff recommends the Board approve the application.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
CHRB-17 (Rev. 07/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

A ALLECANI ASSOCIATION	1.	APPLICANT	ASSOCIATION
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	A.	Name, mailing address, telephone and fax numbers of association:  Bay Meadows Racing Association Phone: (650) 573-4505 2600 South Delaware Street Fax: (650) 573-4671 San Mateo, CA 94402	
	B.	Breed of horse: X TB QH H	
	C.	Racetrack name: Bay Meadows	
	D.	Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,00 as deposit for license fees pursuant to B&P Code Section 19490. <b>On file</b>	)0
NOT purs	ICE TO uant to	APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting CHRB Rule 1433.	ng
2.	DA	TES OF MEETING	
	A.	Inclusive dates for the entire meeting: August 22, 2007 through November 4, 2007	
	В.	Actual dates racing will be held:  August 22-26, 29-31; September 1-3, 5, 7-9, 12-16, 19-23, 26-30 October 5-8, 12-14, 17-21, 24-28, 31 November 1-4	
	C.	Total number of days or nights of racing: 52	
	D.	Days or nights of the week races will be held:  X Wed - Sun  Tues - Sat  Other (specify)	
•		Racing Wednesday through Sunday, except: Racing Monday, 9/3 (Labor Day) & Monday, 10/8 (Columbus Day) Dark Thursday, 9/6, Wednesday, 10/3, Thursday, 10/4, Wednesday, 10/10 and Thursday, 10/1	11
	E.	Number of days or nights of racing per week: Five days per week, with exceptions noted in D above	'e
3.	RAG	CING PRÓGRAM	
	A.	Total number of races: 447	
A D R	pplica eposit eviewe	ion received: $5/24/07$ received: $ON$ fix d: Approved date: License number:	

CHRB-17 (Rev. 07/05)

- B. Number of races for each day or night: We propose to conduct 8 races on weekdays, 9 or 10 races on weekends and Holidays, averaging no more than 8.6 races per day, and will seek administrative approval to conduct more than an average of 8.6 races per day if the horse population permits additional races.
- C. Total number of stakes races: 10
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **Attached**
- E. Will provisions be made for owners and trainers to use their own registered colors?

  | X | Yes | No | If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

Race	Daytime Cards during	Daytime Cards during	Friday Night Cards
	Del Mar	Fairplex & Oak Tree	9/21, 9/28, 10/5, 10/12, 10/20
1	1:45	12:45	7:00
2	2:15	1:15	7:29
3	2:45	1:45	7:58
4	3:15	2:15	8:27
5	3:45	2:45	8:56
6	4:15	3:15	9:25
7	4:45	3:45	9:54
8	5:15	4:15	10:23
9	5:45	4:45	
10		5:15	

Post times will be adjusted as necessary to coordinate with post times at other California tracks Special post times for Breeders' Cup day to be determined

NOTICE TO APPLICANT: 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, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

## 4. RACING ASSOCIATION

A.	Association is a:	X	Corporation (complete subsection C)
			LLC (complete subsection D)
			Other (specify, and complete subsection E

- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. On file
- C. CORPORATION

1. Registered name of the corporation:

Delaware

2. State where incorporated:

3. Registry or file number for the corporation:

37818008100040226127

Bay Meadows Racing Association

#### Fall 2007 BMRA Stakes Schedule

Saturday, August 25, 2007

# CALIFORNIA TURF CHAMPIONSHIP - \$100,000 Guaranteed\*

\*(Includes \$20,000 from Cal-Bred Race Fund)
Three Year Olds & Upward, Bred in California
One Mile (Turf)

Monday, September 03, 2007

#### PALO ALTO - \$75,000 Guaranteed

Fillies, Three Year Olds
Seven and One Half Furlongs (Turf)

9/8/2007-Overnight Stake

# BAY MEADOWS DEBUTANTE - \$60,000 Added

(Plus up to \$18,000 to Cal breds)

Fillies, Two Year Olds

Six Furlongs

9/15/2007-Overnight Stake

## BAY MEADOWS JUVENILE - \$60,000 Added

(Plus up to \$18,000 to Cal breds)

Two Year Olds

Six Furlongs

Saturday, September 22, 2007

#### BAY MEADOWS BREEDERS' CUP HANDICAP - \$150,000 Guaranteed\*-Grade III

\*(Includes \$50,000 from Breeders' Cup Fund)

Three Year Olds & Upward

One mile and one eighth (Turf)

Saturday, September 29, 2007

## BAY MEADOWS DERBY - \$75,000 Guaranteed

Three Year Olds

One Mile and a Sixteenth (Turf)

Saturday, October 06, 2007

#### **AUTUMN LEAVES - \$75,000 Guaranteed**

Fillies & Mares, Three Year Olds & Upward One Mile and a Sixteenth (Turf)

10/13/2007-Overnight Stake

# LUCK BE A LADY - \$60,000 Added

(Plus up to \$18,000 to Cal breds)

Fillies & Mares, Three Year Olds & Upward

Six Furlongs

10/20/2007-Overnight Stake

#### BAY MEADOWS SPEED HANDICAP - \$60,000 Added

(Plus up to \$18,000 to Cal breds)

Three Year Olds & Upward

Six Furlongs

11/3/2007-Overnight Stake

# SEABISCUIT HANDICAP-\$60,000 Added

(Plus up to \$18,000 to Cal breds)

Three Year Olds & Upward

One mile and one Sixteenth (Turf)

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4. Names of all officers and directors, titles, and the number of shares of the corporation held by

Names of all officers and directors, titles, and the number of shares of the corporation held by each:

Terrence Fancher, Chairman and Director

Kristin Gardner, Director and Secretary

Charlene Kiley, Director

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:

Bay Meadows Main Track Investors, LLC

6.	Number o	f outstanding	shares in	the cor	poration:	2.000,000

- 7. Are the shares listed for public trading?

  If yes, on what exchange and how is the stock listed:

  Yes

  X

  No
- 8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **Kristin Gardner**
- 9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

  Bay Meadows Main Track Investors, LLC
- 10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **On file**
- D. LLC-N/A
- E. OTHER N/A
- F. Management and Staff
  - 1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

F. Jack Liebau, President
Bernie Thurman, Vice President and General Manager-Administration
Michael Ziegler, Vice President and General Manager-Operations
Michael Scalzo, Vice President Operations and Security
Dyan Grealish, Vice President and Director of Sales
Barbara Helm, Vice President, Finance
Bryan Wayte, Mutuel Manager
Kay Webb, Simulcast Coordinator
Michael Wrona, Announcer
Jim Fetter, Director of Video Operations

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

## F. Jack Liebau, President

#### 5. PURSE PROGRAM

A. Purse distribution: Note: BMRA did not conduct racing during the prior year time frame.

1. All races other than stakes:

Current meet estimate: \$7,297,388 (plus starter purses per Section 19605.75 of B & P Code)

Prior meet actual: n/a

2. Overnight stakes:

Current meet estimate: \$ 300,000 Prior meet actual: n/a

3. Non-overnight stakes:

Current meet estimate: \$ 475,000 (includes \$70,000 in supplemental monies)

Prior meet actual: n/a

## B. Stakes Races:

1. Purse distribution for all stakes races:

Current meet estimate: \$ 775,000 Prior meet actual: n/a

2. Percentage of the estimated purse distribution for all stakes races that will be distributed for California-bred stakes races:

Current meet estimate: 13%\*
Prior meet actual: n/a

\*Over the course of the calendar year, more than 10% of stake purse funds will be distributed to California-bred stake races.

C. Funds to be generated for all California-bred incentive awards:

Current meet estimate: \$ 744,361 Prior meet actual: n/a

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization	Estimated Payment	Prior Meet
	Current Meet	Actual
CTT pension	\$ 77,412	n/a
CTT administration	38,706	n/a
TOC	77,412	n/a
NTRA contribution	<u>35,216</u>	n/a
Total	\$228,746	n/a

E. Total amount from all sources to be distributed in the form of purses or other benefits to horsemen: (5A + 5C + 5D)

Current meet estimate \$ 9,045,495 (includes supplements), plus starter purses

Prior meet actual n/a

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F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Note that the estimate for <u>generated</u> purse funds does not include supplemental monies, nomination, entry and starter fees, and previous meet carryovers

Current meet estimate

\$ 6,094,715

Prior meet actual

n/a

G. Purse funds to be generated from interstate handle:

Current meet estimate

\$ 1,417,747

Prior meet actual

n/a

H. Bank and account number for the Paymaster of Purses' purse account: Wells Fargo--# On file

I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting: Bowen McBeth, 10722 Arrow Route, Suite #110, Rancho Cucamonga, CA 91730, (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, shall not be deemed as income to the association; shall not be transferred to a parent corporation outside the State of California; and shall, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of underpayment of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

#### 6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: 900
- B. Minimum number of stalls believed necessary for the meeting: 2,000
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **Minimum of 1,548**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: If Golden Gate Fields, in Albany, CA, is open for auxiliary stabling, it can provide approximately 1,325 stalls, and the Alameda County Fair, in Pleasanton, CA, will provide up to 684 additional stalls. If Golden Gate Fields will not be available for auxiliary stabling due to the installation of the Tapeta racing surface, the Solano County Fair, in Vallejo, CA which has 864 permanent stalls, will provide additional auxiliary stabling. Arrangements will be made to add sufficient portable stalls at Pleasanton and/or Vallejo to accommodate horses that normally stable at Golden Gate Fields.

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Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.

Northern California Vanning and Stabling Agreement

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the 1986 meeting: 1,534
- G. Estimated cost to provide off-site stalls for this meeting. \$761,675 Show cost per day per stall: \$5.06
- H. Estimated cost to provide vanning from off-site stalls for this meeting. \$131,560 Show fees to be paid for vanning per-horse: \$115

#### 7. PARI-MUTUEL WAGERING PROGRAM

A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, and TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Ra	ace: \$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF, \$1PPN, \$1PNP (P4)**	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1, #1976.8, #1976.9
Race #2	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #3	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF, \$2PNP (P6)*	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1, #1976.9
Race #4	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #5	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF, \$1PNP (P4)**	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1, #1976.9
Race #6	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #7	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #8	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$.10SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #9	\$1E, \$2Q, \$1TRI, \$2DD, \$.10SF	CHRB #1959, #1958, #1979, #1957, #1979.1
Race #10	\$1E, \$2Q, \$1TRI, \$.10SF	CHRB #1959, #1958, #1979, #1979.1

B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **Closing day, November 4, 2007** 

- C. List any options requested with regard to exotic wagering:
  - \*\$2 Pick (n) Pool (Pick 6) will be offered on the final six races of each card, with 70% to the major pool or carryover, and 30% to the minor pool.
  - \*\*\$1 PNP-4 will be offered on the first four and final four races of each card.
  - \*\*\*\$1 PPN (Place Pick (n) Pool will be offered on the first ten races of each card.

Additional deduction provided by subdivision (a) of Section 19611.5 will be made.

D. Will "advance" or "early bird" wagering be offered? x Yes No If yes, when will such wagering begin:

Advanced day wagering on Breeders' Cup Future Pools on dates to be determined

E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:

Scientific Games system-Terry McWilliams. Current contract expires 11/07; negotiations for new contract are underway.

#### 8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering: NCOTWINC
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file**
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

#### **NORTHERN CALIFORNIA**

Alameda County Fair, Pleasanton Bay Meadows, San Mateo Big Fresno Fair, Fresno California State Fair & Exposition, Sacramento Club One, Fresno Golden Gate Fields, Albany Kern County Fair, Bakersfield Monterey County Fair, Monterey Redwood Acres Fair, Eureka San Mateo County Fair, San Mateo San Joaquin County Fair, Stockton Santa Clara County Fair, San Jose Shasta District Fair, Anderson Solano County Fair, Vallejo Sonoma County Fair, Santa Rosa Stanislaus County Fair, Turlock **Tulare County Fair, Tulare** 

#### **SOUTHERN CALIFORNIA**

Barona Casino, Lakeside Fantasy Springs Casino (Cabazon), Indio Del Mar Thoroughbred Club, Del Mar Hollywood Park, Inglewood Desert Expo Centre, Indio The Farmers Fair, Perris Antelope Valley Fair, Lancaster Santa Barbara County Fair, Santa Maria Los Alamitos Racecourse, Los Alamitos Mid-State Fair, Paso Robles National Orange Show, San Bernardino Fairplex Park, Pomona Santa Anita, Arcadia Viejas Casino & Turf Club, Alpine Earl Warren Showgrounds, Santa Barbara Sycuan Gaming Center, El Cajon Ventura County Fair, Ventura San Bernardino County Fair, Victorville

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal: Attached
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association: Attached

AmericaTAB

Arapahoe Park

Arlington Park

Atokad Downs

Beulah Park

Common Pool Locations

AmWest Entertainment

Atlantic City Race Course

Birmingham Race Course

Bluff's Run Greyhound Track

Blue Ribbon Downs

Buffalo Raceway

Canterbury Park

Chester Downs

Capital District Regional OTB

Charles Town Race Course

Choctaw Racing Services

Catskill Regional OTB

Calder Race Course

Canadian Associations

Balmoral Park/Maywood Park

Bangor Historic Track/Millers OTB

	BAY MEADOWS
Common Pool Locations	Common Pool Locations
Ellis Park	Northfield Park
Emerald Downs	Cedar Downs OTB
Evangeline Downs	Northville Downs
Fair Grounds	Oaklawn Park
Fair Meadows	Ocean Downs
Finger Lakes	Penn National
Fonner Park	Philadelphia Park
Freehold Raceway	Plainridge Race Course
Gillespie County Fair	Plainridge Race Course - acct, wagering
Great Lakes Downs Greenetrack	Pocono Downs Portland Meadows
Gulf Greyhound Park at Post Falls	Praine Meadows
Gulf Greyhound (Texas Hub) Harrah's Chester Downs	Raceway Park
	Racing & Gaming Services (RGS) Racing World
Harrington Raceway Hawthorne Race Course	Victor Chandler Int'l.
Hazet Park	Raynham Taunton Greyhound
Hinsdale Greyhound Park	Raynham Taunton Greyhound-Acct.Wager.
Hinsdale Greyhound Park - ADW	Remington Park
Hoosier Park @ Anderson	Retama Park
Horsemen's Park	River Downs
Indiana Downs	Rockingham Park
Clarskville OTB	Rockingham Park Account Wagering
Evansville OTB	Seabrook Greyhound
Jackson Harness Raceway	Rosecroft Raceway
Keeneland	Royal River Racing
Kentucky OTB	Ruidoso Downs
Las Vegas Dissemination	Sam Houston Race Park
Lebanon Raceway	Valley Greyhound Park
Les Bois Park	Saratoga Raceway
Lewiston Raceway/OTB ME	Scarborough Downs
Lien Games	Scieta Downs
North Dakota Horse Park	Southland Racing Corporation
Clubhouse Lounge	Sports Creek Raceway
SkyDancer Casino	Suffolk Downs
Chips Lounge and Casino	Suffolk Downs OTB's
El Rancho Motor Hotel OTB	Suffolk Regional OTB (NY)
Idaho Falls Racing OTB	Sunland Park
Rumors OTB	SunRay Park
Aberdeen Racing OTB (SD) Mitch's Grandstand OTB	Tampa Bay Downs The Meadows
Lincoln Greyhound Park Lodge at Belmont	Thistledown Tioga Downs
Lodge at Belmont - account wagering	Tri-State Greyhound
Lone Star Park	Turf Paradise
Louisiana Downs	Turfway Park
LVDC	TVG
Atlantis Paradise Casino	Twin Spires
Cities of Gold/Pojoaque	US OFF-TRACK
Crystal Palace Casino	Vernon Downs
Elite Turf Club	Western Region OTB
Fire Lake	Wheeling Downs
Foxwoods Resort and Casino	Wichita Greyhound
Meskwaki Bingo & Casino	Will Rogers Downs
Potawatomi	Wonderland Greyhound
Spirit Mountain Casino	Woodlands
Stables, The	Wyoming OTB (NO ADW)
Magna International	Xpressbet
Manor Downs	Yavapai Downs
Maryland Jockey Club	Yonkers Raceway
Meadowlands/Monmouth	Youbet
Mobile Greyhound	International Racing Group (IRG)
Montana Simulcast Partners	2ia Park
Monticello Raceway	
Mountaineer Park	

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Oreida Bingo Red River Casino Churchill Downs Coeur d'Alene Casino Coeur d'Alene Acct. Wagering Colonial Downs Columbus Races Connecticut OTB

Maryland Jockey Club Divi Carina Bay Casino Meadowlands/Monmouth Ho-Chunk Casino Mobile Greyhound John Martin's Manor Montana Simulcast Partners Mohegan Sun Casino Monticello Raceway Randall James Racetrack Mountaineer Park Mount Pleasant Meadows Royal Beach Casino Shoreline Star Greyhound Nassau Regional OTB Tote Investment Racing Service Nebraska State Fair Park Corpus Christi Greyhound Nevada Parı-Mutuel Assn. Dairyland Greyhound Park New Jersey Casinos

Delaware Park Delta Downs Dover Downs Downs @ Albuquerque Newport Jai-Alai New York City OTB New York Racing Association

Cypress Bayou(LA)

The Sports Center (SD)

Time Out Lounge (SD)

Assinibola downs

Clinton Raceway Connaught Park-Aylmer

Elmira Raceway

Flamboro Downs

Georgian Downs Hanover Raceway

Kawartha Downs

Marquis Downs

Northlands

Picov Downs

Quinte Raceway

Royal Brittania Hub Stampede Park

Sudbury Downs

TBC Teletheatres

Windsor Raceway

Woodbine

Western Fair Raceway

Comanche Nation Games

Hippodrome de Montreal

Hippodrome de Quebec

Rideau Carleton Raceway

Fort Erie Racetrack

Ex Park IVR

Fraser Downs

Hastings Park

Riders Up(SD)

Separate Pool Locations

Hipodromo Presidente Remon LVDC (NV) MIR/Caliente Caymanas

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For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

**NOTICE TO APPLICANT:** B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

#### THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates Full Card or Selected	Feature and/or Stakes Races
Arlington Calder Delaware Park Ellis Park Emerald Park Fort Erie Hastings Hawthorne Keeneland Kentucky Downs Laurel Lousiana Downs Monmouth Park Northlands Park NYRA Remington Park Thistledown	08/22/07 through 09/16/07 08/22/07 through 11/04/07 08/22/07 through 11/04/07 08/22/07 through 11/04/07 08/22/07 through 09/30/07 08/22/07 through 09/30/07 08/22/07 through 10/30/07 08/22/07 through 11/04/07 09/21/07 through 11/04/07 10/05/07 through 10/27/07 09/15/07 through 10/27/07 08/22/07 through 10/20/07 08/22/07 through 10/27/07 08/22/07 through 10/27/07 08/22/07 through 10/27/07 08/22/07 through 11/04/07 08/22/07 through 11/04/07	Feature and/or Stakes Races  Full or Partial Cards  Full or Partial Cards
Turf Paradise Turfway Park Woodbine Yavapai Downs	10/05/07 through 11/04/07 10/05/07 through 11/04/07 09/05/07 through 10/04/07 08/22/07 through 11/04/07 08/22/07 through 09/04/07	Full or Partial Cards

# Additional cards and/or races pending negotiations

G. For QUARTER HORSE racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

# QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track

Race Dates

Full Card or Selected Feature and/or Stakes Races

# Wagering will be offered on all races conducted or imported by Los Alamitos

H. For **STANDARDBRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

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#### HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track

Race Dates

Full Card or Selected Feature and/or Stakes Races

#### Wagering will be offered on all races conducted or imported by Cal Expo Harness

1. For ALL racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: N/A

#### OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track

Breed of Horse

Race Dates

Number of Races to be Imported

J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

#### 9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:

  Bay Meadows Racing Association shall act as its own distributing agent in conformity with Section 19554(e)
- B. Names and addresses of the trustees or directors of the distributing agent: See 9A above
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

# 10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

Association Veterinarian(s) Forrest Franklin, Track Veterinarian

Diane Isbell, Examining Veterinarian

Clerk of Scales

Clerk of the Course

Film Specialist

Horse Identifier

Horseshoe Inspector

Paddock Judge

Ken Sjordal

Ken Sjordal

Fatrick Kealy

Jack Hammonds

Ella Robinson

Patrol Judges Ella Robinson, Myra Truitt
Placing Judges Steve Martinelli, Greg Brent

Starter Chuck Burkes
Timer Richard Somers

B. Management officials in the racing department:

Racing Secretary Tom Doutrich

Assistant Racing Secretary Greg Brent, Linda Anderson

Director of Racing Richard Lewis
Paymaster of Purses Peggy Morsi

Others (identify by name and title)

Asst Clerk of Scales

Main Track Superintendent
Turf Track Superintendent
Price Maker
Stable Area Superintendent

Bob McGrath
Robert Turman
Bernie Eastridge
Richard Somers
Jerry Lynn Hunter

- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: Christine Niccoli, Niccoli Reporting Associates, 619 Pilgrim Drive, Foster City, CA 94404 (650) 573-9339
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

  Plusmic Corporation USA (Bill O'Brien), 12/31/07
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.

Bay Meadows Video Department, lead by Jim Fetter, supplies the video equipment to record all races. Seven color cameras, twenty-one videotape recorders, and nine video monitors are utilized.

Cameras for dirt and turf tracks include:

Pan camera #1 (tight pan) aligned with finish lines, just above photo finish camera on grandstand roof Pan camera #2 (wide pan) located next to tight pan camera

3/8 tower camera aligned with backstretch of dirt track

1/4 tower camera aligned with front stretch of turf course (rear view)

7/8 tower camera aligned with front stretch of dirt track

7/8 pan/tilt/zoom remote controlled camera aligned with turf course front stretch (head on)

5/16 pan/tilt/zoom remote controlled camera

Highlight camera follows lead horses down the stretch from near-ground level

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

Electronic timer, installed and maintained by Bay Meadows personnel

#### 11. SECURITY CONTROLS

A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

Michael Scalzo, VP Operations & Security. Organizational chart & list of security personnel attached

B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:

Uniformed guards 21
Plain clothesmen 2
Stable gate attendants 5

1. Attach a written plan for enhanced security for graded/stakes races and races of \$100,00 or more, to include the number of security guards in the restricted areas during a 24 hours period and a plan for detention barns. **Attached** 

- 2. Detention Barns
  - A. Attach a plan for use of graded stakes or overnight races: Attached
  - B. Number of security guards in the detention barn during a 24 hour period-4
  - C. Describe number and location of surveillance cameras in detention barn area: Attached
- 3. TCO2 Testing
  - A. Number of races to be tested, and number of horses entered in each race to be tested.

    Applicant will follow CHRB staff directives to insure compliance with CHRB Rule 1843.6
  - Plan for enhanced surveillance for trainers with high-test results.
     Applicant will follow CHRB staff directives to insure compliance with CHRB Rule 1843.6
  - Plan for detention barns for repeat offenders.
     Applicant will follow CHRB staff directives to insure compliance with CHRB Rule 1843.6
  - D. Number of security personnel assigned to the TCO2 program.

    As needed per advice of CHRB staff
- C. Describe the electronic security system:

Security alarm systems, including cameras, motion and contact sensors, monitored by Hue & Cry, cover the administrative offices, mutuel, catering and operations money rooms. Surveillance systems with time-lapse recorders monitor key locations throughout the plant and parking lot.

1. Location and number of video surveillance cameras for the detention barn and stable gate. **Attached** 

#### Attachment to BMRA License Application

#### 11. SECURITY CONTROLS

B-1, B-2 and C-1

Plan for Graded Stakes/Races of \$100,000 or more

When a Graded Stakes Race or race with a purse of \$100,000 or more is conducted at Bay Meadows, the following procedures are implemented to enhance security:

- Richard Lewis, Coordinator of Racing Operations, provides a list of starters to Michael Scalzo, VP
  Operations and Security. The list, which is compared to the day's official racing program, contains
  the following information:
  - 1. Name of Horse
  - 2. Name of Trainer or Substitute Trainer
  - Name of Groom
  - 4. Name of Veterinarian
  - 5. Barn number where horse is stabled
  - 6. Stall number in barn where horse is stabled
- To supplement the normal security staff assigned to the barn area, "Special security" personnel are
  assigned to each horse's stall and surveillance begins six (6) hours before the official start of the
  race. The number of special security personnel is dependent upon the number of entrants in the
  race.
- The special security people attend an instructional meeting early in the morning of the race; instructions include:
  - 1. The specific assignment details for the individual horse assigned each guard.
  - 2. A briefing on race day medication rules, provided by a California Horse Racing Board representative.
  - 3. A briefing on the dynamics of horse racing and racing operations by Richard Lewis, Coordinator of Racing Operations.
  - 4. A briefing on general operations procedures as they relate specifically to the Bay Meadows Racecourse.
  - 5. Each guard is given a packet which includes an official racing program and a form provided by the CHRB which is to be signed by the attending veterinarian at the time of the administration of furosemide or estrogens for all horses registered as bleeders. The form notes the name of the Horse, Trainer, Veterinarian, Race Number, Barn Number, Stall Number, Official Post Time, Administered Time of Bleeder Medication and Number of injections/syringes.
  - 6. Each individual is given a video camera to record any and all activity involving individuals entering and exiting their assigned horse's stall. Guards are instructed to first direct their camera recording to the posted number of the stall to confirm that the video is directed at the assigned runner. Guards are instructed to videotape the attending veterinarian at the time of his or her administering the furosemide and/or estrogen shot for those horses registered as bleeders.
  - Each guard is instructed to monitor any suspicious activity or activity they don't understand, and to contact the VP of Operations and Security if and when suspicious activities may take place.

- 8. Guards are instructed to station themselves as close to the assigned horses' stall as possible, without jeopardizing safety, and are to remain in view of the horses' stall.
- 9. Each guard is instructed to follow, on foot, the horse and handlers to the receiving barn before the race is run.
- 10. Each guard is instructed to meet the VP of Operations & Security at the receiving barn, where he or she will return the video camera and any notes he/she may have taken pertaining to the day's surveillance. At this time, there will be a discussion with all guards relating to the day's activities.
- Video surveillance tapes are saved until all test results have been determined to be negative.
- CHRB investigators coordinate with the BMRA special surveillance team. Investigators are encouraged to visit the location of all participating horses in the graded/stakes race(s) of the day.

#### <u>Detention Bam Plan & Number and Location of surveillance cameras in detention barn area:</u>

In January, 2005, a new surveillance system was installed in Barn One, which is the barn mostly frequently utilized by horses shipping in to run at Bay Meadows. Barn One is 360' long by 180' wide, and has ten exits and entrances. It contains approximately 162 stalls, and houses the receiving barn area, transit and detention stalls. Surveillance equipment includes a 16 camera, 180 GB digital recording system. The installation of surveillance equipment in Barn One enables the company to better monitor the activity of horses and persons entering and exiting Barn One and the stable gate area, which is roughly fifty feet away.

One camera has been strategically placed to moritor the stable gate entrance, two cameras monitor designated detention stalls, and the balance have been placed to provide surveillance of the entrances and exits to the bam.

The recorder is kept in a secure housing in a locked communications room in the Barn building. A password is required before any action can be taken on the recording system.

The cameras are powered from a common power supply located, with the recorder, in the communications room. The entire system is powered with a UPS power back-up, and will continue to operate during a power failure.

All cameras generate their own infra-red light source, so they provide a viewable image even in "total" darkness. They operate in color during the day, and convert to black-and-white in dark lighting conditions.

The digital recorder records all cameras at full frame. Recording options include resolution quality and motion detection. In motion detection mode, video frame recording commences only when motion is detected within selected areas, which saves on hard-drive storage space. The amount of time that can be stored before re-recording over existing material occurs is dependant upon the amount of bam activity. If all cameras recorded 24 hours a day, 7 days a week, at the highest resolution setting, the 180 GB drive would begin re-writing over existing data within about 48 hours. With standard resolution and motion detection engaged, recording time falls between 5 and 10 days before re-writing begins.

#### Bay Meadows - 2007 Security Personnel

Security Office Phone #

(650) 573-4535

Stable Gate Phone #

(650) 573-4577

Scalzo, Michael, VP Operations and Security

Office# (650) 573-4540 Cell # (650) 222-8153

### Staff Members:

Nielsen, James

Angerina, Ed

Barnes Jr, Joseph

Bottari, Robert

Brissenden, William

Cook, Robert

Cunningham, Robert

Dillon, David

Dwyer, Eugene

Eitel, Calvin

Ferman, Tomoteo

Harrison, Harvey

Hart, Gregory

Jang, Candace

Larkin, Patrick

Lomski, David

Mahoney, John

ivialionicy, John

Mann, Bill

Mirosnkoff, Roseanne

Molinelli, John

Moreno, Michael

Navarrete, Amanda

Nielsen, Richard

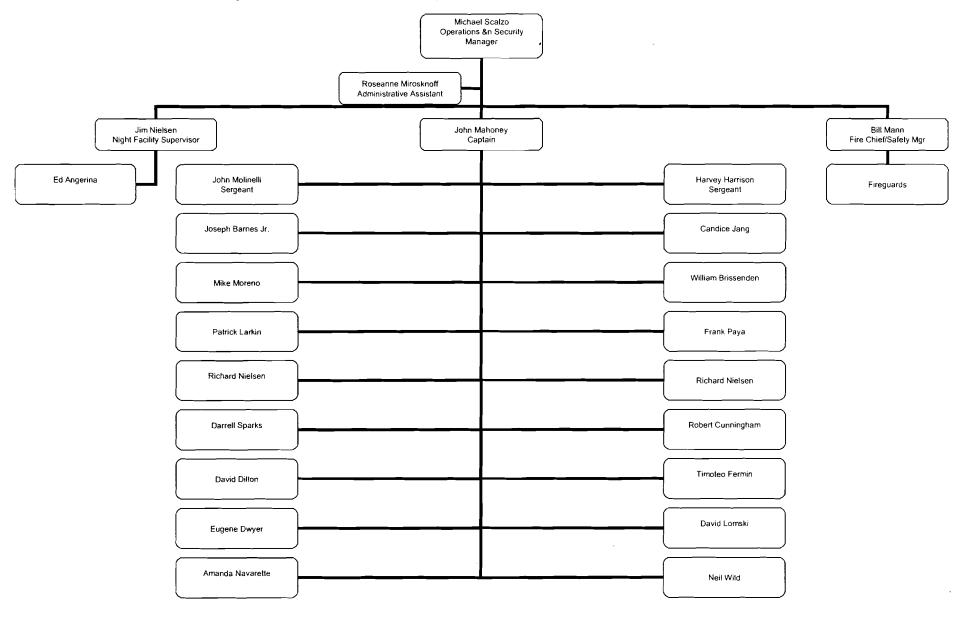
Paya, Frank

Plunkett, Todd

Sparks, Darrell

Wild, Neil

# Bay Meadows – Security Department Organizational Structure



D. For night racing associations: Describe emergency lighting system:

Bay Meadows has five diesel electric generators that power backup lighting systems. Normally, the generators are run only in the case of a PG & E failure. On nights during which evening cards are conducted, the generator connected to the twenty-four 1,500 watt metal halide lights on the roof is turned on in order to insure that there is no transfer lag time should there be a PG & E failure. Three portable 4-lamp, 1,000 watt metal halide generator sets, one in the corporation yard, one at the quarter chute entrance, and one in the south parking lot adjacent to the jockeys room, are also utilized. The emergency lighting system provides power not only to the track lights, but to key areas such as totalizator, computer, phone, and money rooms, public address systems, and public areas in the grandstand and parking lots. Additionally, each barn is equipped with battery powered emergency lighting. To insure reliability, the generators are serviced bi-annually and are run for at least one hour each month.

#### 12. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

Bayshore Ambulance, Box 4622, Foster City, CA 94404 (650) 525-9700

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

Golden Gate Fields: Turf Rescue, LLC 19615 Barclay Road Castro Valley, CA 94546 (510) 581-8470

Alameda County Fair: American Medical Response 640 – 143<sup>rd</sup> Avenue San Leandro, CA 94577 (510) 895-7600 Solano County Fair Medic Ambulance Service 2349 Lexington Street Sacramento, CA 95815 (916) 564-9040

- C. Attach a fire clearance from the fire authority having jurisdiction over the premises. On file
- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **On File**
- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation. **Attached**

#### 13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

Tip Sheets:

Jacqueline Wasserman/Jack's Blue Card, 127 Sun Avenue, Hayward, CA 94544

Armored Car: Loomis Armored Car. P. O. Box 44196, San Francisco, CA 94104

Program Printing: Track Photographer:

Del Mar Graphics, c/o Golden Gate Fields., 1100 Eastshore H-way, Albany, CA 94706

Vassar Photography, 1167 Sapphire Drive, Livermore, CA 94550

Jockey's Laundry:

F. Lorene Dutton/Bailey's Mobile Laundry, 3263 Vineyard Ave., Pleasanton, CA 94566

Starting Gate: Mike Costello/United/Puett Starting Gate Co., P. O. Box 18, S. Salem, NY 10590

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				102		INSURER D:	<del></del> -			
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# FIRE DEPARTMENT Bureau of Fire Protection and Life Safety www.cityofsanmateo.org

1900 O'Farrell, Suite 140 San Mateo, California 94403-1382 (650) 522-7940 FAX: (650) 522-7941 TDD: (650) 522-7047

December 18,2006

Ms. Burnie Thurman
Bay Meadows Land Company
2600 S. Delaware St.
San Mateo, California 94403

Dear Ms. Thurman:

This letter is to serve as the San Mateo Fire Department Fire Clearance for Bay Meadows Land Company at 2600 S. Delaware Street, San Mateo, California. The Fire Clearance is in effect starting January, 2007 to December 2007.

Your staff's continued attention to correcting the listed fire code violations is greatly appreciated. As long as these efforts show progress, this Fire Clearance will remain valid through December 31, 2007. All fire and life safety issues are to be brought to compliance and/or stay in compliance to assure public safety.

Should you have any questions, please feel free to contact me at the above telephone number.

Sincerely,

Michael Leong Fire Marshal Guny Deminice of

Fire Inspector

#### 14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

- A. Describe any promotional plans: Attached
- B. Number of hosts and hostesses employed for meeting: Seven group sales hosts and hostesses, one "handicapping 101" staffer, two tour guides, two greeters, (one located next to the general admission program seller and one located in the clubhouse lobby area), ten mutuel customer service aides, four mutuel information windows and five marketing aides.
- C. Describe facilities set aside for new fans.

#### **Newcomer tours**

New fans can log on to the Bay Meadows web site, <a href="www.baymeadows.com">www.baymeadows.com</a>, to learn about Bay Meadows in a unique manner. From the homepage, fans who have never attended the races can sign up for a personalized tour of the facility. The special tour includes free admission and programs, a look at the entire facility, and seating in the Clubhouse boxes which overlook the outside paddock and finish line. Fans arrange for their tours at their convenience. Newcomers are met in front of the facility, at the admission entrances, and receive an explanation as to how they would return to the races on their own. The tour includes trips to various areas of the plant, from the mainline to the Turf Club, and attendees are familiarized with where to buy a program or Form, where to purchase reserved seats, etc., during the tour. At the end of the tour, attendees are escorted to a seating area reserved for newcomers which overlooks the finish line. The tour guide walks them through a few simple handicapping techniques and visits them occasionally throughout the remainder of the day to make sure they are comfortable.

Behind the scenes tours, featuring visits to the barn area, are offered to groups of ten or more.

#### Newcomer Mutuel Windows

In the mainline, mezzanine, clubhouse and Turf Terrace areas, betting windows designated as "Newcomers Welcome" are staffed with friendly and helpful mutuel clerks trained to accommodate the needs of novice fans.

#### Handicapping 101 Center

A large information area on the mainline has been designated as a "Handicapping 101" center. The area features a large banner, and is staffed by friendly marketing aides that are trained to answer questions for any and all fans, including how to read the program, explain odds and payoffs, provide directions, etc.

- D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:
  - 1. Horsemen -
  - 2. Fans Color, programmable infield message board LED indicators for infield tote board New JetBet wagering terminals
  - 3. Facilities in the restricted areas -

#### Attachment to BMRA License Application – Section 14

#### Wednesday, August 22, 2007 - Opening Day

• Coupons for free Grandstand admission on opening day will be sent in first direct mail piece.

#### Thursday, August 23, 2007

- Free General Admission to Winner's Circle Members Members of the Bay Meadows player rewards program, the Winner's Circle, will receive free General Admission every Thursday of the racing season. Clubhouse upgrades will cost \$3.
- Senior Thursdays Seniors (those aged 62 and older) receive free Grandstand admission or \$3
  Club House upgrade with a valid Winners Circle card. \$5 senior lunch special in the Grandstand.
  We will also offer a handicapping seminar covering the basics of wagering.

Friday, August 24, 2007

#### Saturday, August 25, 2007

Bay Meadows "Day on Us" promotion – Free general admission, general parking, a program and a
Daily Racing Form will be given to our "core" patrons through a coupon included in a direct mail
piece. We will mail this exclusive offer to a list of 12,000 customers.

#### Sunday, August 26, 2007

• "Offer you can't refuse" – Database Matching Program

#### Thursday, August 30, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

Friday, August 31, 2007

#### Saturday, September 1, 2007

 Mystery Mutuel Voucher - A Mystery Mutuel Voucher will be distributed to the entire mailing list and will be worth between \$2 and \$5,000. The voucher will be redeemable at Bay Meadows and at participating Satellite wagering facilities.

#### Sunday, September 2, 2007

"Offer you can't refuse" – Database Matching Program

#### Monday, September 3, 2007

- Beach Chair Giveaway A Bay Meadows Beach Chair will be given away to the first 10,000 fans, with paid admission. The Beach Chair will also be made available to the Northern California Satellite Wagering Facilities.
- Labor Day Family Day The family day will be held in the infield and entertainment will include a
  live performance by the "Sippy Cups" (nationally touring entertainers for children), bounce houses,
  carnival games, pony rides, a rock climbing wall as well as children entertainers Lori & RJ.
- Kids 12 and under will receive a free racing bear when accompanied by an adult.

Friday, September 7, 2007

#### Saturday, September 8, 2007

 Bay Meadows Handicapping Contest – Players will compete for one \$500 prize and a complimentary spot in the Bay Meadows Handicapping Contest on September 29.

#### Sunday, September 9, 2007

- Bay Meadows Handicapping Contest
- "Offer you can't refuse" Database Matching Program

#### Thursday, September 13, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, September 14, 2007

#### Saturday, September 15, 2007

Dollar Day -- \$1 Grandstand Admission, \$1 Programs, \$1 Hot Dogs, \$1 Sodas, and \$1 Beers.

#### Sunday, September 16, 2007

"Offer you can't refuse" – Database Matching Program

#### Thursday, September 20, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, September 21, 2007

• Friday's Alive –The Cheeseballs will play live music in between races. The band will begin playing after the second scheduled race and we will offer the traditional Friday's Alive attractions, including \$1 admission, \$1 beers, \$1 hot dogs and \$1 sodas. Beers will be \$1 from 7:00 PM – 8:00 PM and \$2 for the rest of the night. There will be a beginner's area in the grandstand to help newcomers find their way around the track and learn how to wager. Attendees will receive bounceback passes valid for free admission on any Sunday.

#### Saturday, September 22, 2007

 Giveaway – A Bay Meadows Giveaway will be given away to the first 8,000 fans, with paid admission. The Giveaway will also be made available to the Northern California Satellite Wagering Facilities.

#### Sunday, September 23, 2007

"Offer you can't refuse" – Database Matching Program

#### Thursday, September 27, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, September 28, 2007

Friday's Alive – Super Diamond will play live music in between races. The band will begin playing after the second scheduled race and we will offer the traditional Friday's Alive attractions, including \$1 admission, \$1 beers, \$1 hot dogs and \$1 sodas. Beers will be \$1 from 7:00 PM – 8:00 PM and \$2 for the rest of the night. There will be a beginner's area in the grandstand to help newcomers

find their way around the track and learn how to wager. Attendees will receive bounceback passes valid for free admission on any Sunday.

#### Saturday, September 29, 2007

- DRF Qualifying Handicapping Tournament This is a "real money" event held over two days. The
  buy-in for the tournament is \$2,000. The Tournament is a winner take all contest with \$5,000 being
  offered by Bay Meadows for the first place finisher. In addition to a cash prize, the top three
  finishers at the end of the two day contest will each receive entry, transportation and hotel
  accommodations to the 2007 DRF/NTRA Handicapping Challenge in Las Vegas, courtesy of Bay
  Meadows Racecourse.
- \$5 CMC Voucher

#### Sunday, September 30, 2007

- DRF Qualifying Handicapping Tournament Continued.
- "Offer you can't refuse" Database Matching Program

#### Thursday, October 4, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, October 5, 2007

• Friday's Alive – Mother Hips will play live music in between races. The band will begin playing after the second scheduled race and we will offer the traditional Friday's Alive attractions, including \$1 admission, \$1 beers, \$1 hot dogs and \$1 sodas. Beers will be \$1 from 7:00 PM – 8:00 PM and \$2 for the rest of the night. There will be a beginner's area in the grandstand to help newcomers find their way around the track and learn how to wager. Attendees will receive bounceback passes valid for free admission on any Sunday.

#### Saturday, October 6, 2007

 Giveaway – A Bay Meadows Giveaway will be given away to the first 8,000 fans, with paid admission. The Giveaway will also be made available to the Northern California Satellite Wagering Facilities.

#### Sunday, October 7, 2007

"Offer you can't refuse" – Database Matching Program

#### Monday, October 8, 2007

Columbus Day Festival with Festa Foundation

#### Thursday, October 11, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, October 12, 2007

• Friday's Alive – Pride & Joy will play live music in between races. The band will begin playing after the second scheduled race and we will offer the traditional Friday's Alive attractions, including \$1 admission, \$1 beers, \$1 hot dogs and \$1 sodas. Beers will be \$1 from 7:00 PM – 8:00 PM and \$2 for the rest of the night. There will be a beginner's area in the grandstand to help newcomers find

their way around the track and learn how to wager. Attendees will receive bounceback passes valid for free admission on any Sunday.

#### Saturday, October 13, 2007

Bay Meadows "Day on Us" promotion – Free general admission, general parking, a program and a
Daily Racing Form will be given to our "core" patrons through a coupon included in a direct mail
piece. We will mail this exclusive offer to a list of 12,000 customers.

#### Sunday, October 14, 2007

"Offer you can't refuse" – Database Matching Program

#### Thursday, October 18, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, October 19, 2007

Friday's Alive – Tainted Love will play live music in between races. We anticipate a large turnout resulting from our promotional efforts and the popularity of the band. The band will begin playing after the second scheduled race and we will offer the traditional Friday's Alive attractions, including \$1 admission, \$1 beers, \$1 hot dogs and \$1 sodas. Beers will be \$1 from 7:00 PM – 8:00 PM and \$2 for the rest of the night. There will be a beginner's area in the grandstand to help newcomers find their way around the track and learn how to wager. Attendees will receive bounceback passes valid for free admission on any Sunday.

#### Saturday, October 20, 2007

 Sweatshirt Giveaway – A Bay Meadows Sweatshirt will be given away to the first 8,000 fans, with paid admission. The Sweatshirt will also be made available to the Northern California Satellite Wagering Facilities.

#### Sunday, October 21, 2007

• "Offer you can't refuse" – Database Matching Program

#### Thursday, October 25, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, October 26, 2007

Breeders' Cup Advanced Day

#### Saturday, October 27, 2007

 Breeders' Cup Contest - All patrons will receive a contest card upon entering Bay Meadows to select the horse they think will win the Breeders' Cup Classic. The contest will close one hour prior to the start of the Breeders' Cup Classic. One contestant will be drawn to represent each horse in the field. The person representing the winning horse will win the Grand Prize. Each of the contestants drawn on Breeders' Cup day will win a Turf Club Package redeemable for a later date. Must be present to win.

#### Sunday, October 28, 2007

- Boo Meadows The family day will be held in the infield and entertainment will include bounce houses, a haunted house, a rock climbing wall as well as children entertainers Lori & RJ. Additional activities include a costume contest.
- Kids will receive a bag of candy when they enter Boo Meadows. Kids 12 and under receive a free pumpkin when accompanied by an adult.

#### Thursday, November 1, 2007

- Free General Admission to Winner's Circle Members
- Senior Thursday

#### Friday, November 2, 2007

#### Saturday, November 3, 2007

- Mystery Mutuel Voucher A Mystery Mutuel Voucher will be distributed to the entire mailing list and will be worth between \$2 and \$5,000. The voucher will be redeemable at Bay Meadows and at participating Satellite wagering facilities.
- Cal Cup Day from Santa Anita

#### Sunday, November 4, 2007

- Closing Day of the Fall Meet
- "Offer you can't refuse" Database Matching Program

#### Ongoing Programs for the Fall-Winter Meet include:

<u>Bay Meadows Winner's Circle</u>: Bay Meadows player rewards program offers customers the chance to earn points based on wagering activity, which can be redeemed for wagering vouchers, free admissions, and free programs. Additionally, the Winner's Circle acts as an attendance based system – when customers scan their membership cards at the admission gate, they receive credit for their admission – six credits earns the customer a free visit. Further, many of the special offers made throughout the meet, including free admission every Thursday, are for Winner's Circle members only.

Offer you can't refuse: A mailing list purchased based on modeling of the Bay Meadows database will be used to send offers to people who "look" like our fans but may not currently be enjoying the races. Every Sunday, groups of these look-alikes will receive a terrific offer from the racetrack – free admission, seats, programs, and food items for up to four people. The hope is that people may be interested in the same things as people who are coming to the track but might need an incentive to visit for the first time.

<u>"Junior Jockey Club"</u>: Kids that sign up for the club will receive a quarterly newsletter, special discounts and prizes. The club will have special activities for Junior Jockey Club members including Junior Jockey Club Barn Tours.

"Buy a program and Bay Meadows covers your bet": This program will take place every Saturday or Sunday. One stamp for every horse in the sixth race will be randomly placed in a program. Patrons that find the stamp will go to the Winners Circle 15 minutes before post of the 6th race. Those with the stamp will watch the race from the Winners Circle. Each participant will draw a number that will represent a horse in that race. Each participant will be given a \$10 win ticket for their horse. If their horse wins, they keep the money.

The Beer Race will continue as it did during the Spring 2007 Meet.

<u>IPOD Drawing:</u> We will continue to collect names through our "enter to win an IPOD drawing." This program replaced our losing ticket drawing and is responsible for the collection of over 1,000 entries per racing meet.

<u>DVD Distribution:</u> We will continue to produce and distribute complimentary DVDs to the connections of horses winning races at Bay Meadows.

<u>Web-Site:</u> The Bay Meadows web-site, <u>www.baymeadows.com</u>, was completely re-created to make it more user-friendly and aesthetically pleasing. Enhancements were added to enable customers who have never attended the races learn about Bay Meadows and racing in general. Content used by frequent, existing customers, was organized in a manner which we believe is makes it more readily assessable.

#### 15. SCHEDULE OF CHARGES

Α.	Proposed charges, note any changes	from the previous year:
	Admission (general)	\$3.00
	Admission (clubhouse)	\$6.00
	Admission (turf club on weekdays)	\$10.00
	Admission (turf club on weekends)	\$15.00
	Reserved seating (general)	\$3.00
	Reserved seating (clubhouse)	\$3.00
	Parking (general)	\$4.00
	Parking (preferred)	\$7.00
	Parking (valet)	\$7.00
	Programs (on-track)	\$2.25
	Programs (off-track)	\$2.25
	rograms (on-mack)	Ψ2.20
B.	Describe any "Season Boxes" and "T	Furf Club Membership" fees:
	Bay Meadows Jockey Club:	ari etae Memeersinp 1003.
	Single Membership	\$ 600
	Double Membership	\$ 1,000
	Full Season (6 seat table)	\$ 2,400
	Full Season (4 seat table)	\$ 2,000
	Weekday Membership (4 seats)	\$ 600
	- ' '	
	Weekend/Holiday Membership (4 seats)	\$ 1,500
	Bay Meadows Reserved Box Seating:	
	Clubhouse Box (6 seats)	\$ 1,000
	Special Horsemen's Rate	\$ 700
	Grandstand Box (6 seats)	\$ 1,350
	Special Horsemen's Rate	\$ 900
	Grandstand Box (4 seats)	\$ 1,100
	2:2::20:20:20:20:20:20:20:20:20:20:20:20	Ψ 1,100

C. Describe any "package" plans such as combined parking, admission and program: None

\$ 800

# 16. JOCKEYS/DRIVERS' QUARTERS

Special Horsemen's Rate

A. Check the applicable amenities available in the jockeys/drivers' quarters:

	>	Corners (le	s and cubicles)	How many	2	5		
Ī	>	Showers	>	Steam room, sauna or steam	m cabinets	$\supset$	L	ounge area
Ī	>	Masseur	<b>\</b>	Food/beverage service		>	C	ertified platform scale

B. Describe the quarters to be used for female jockeys/drivers:

Fifteen by seventeen foot room with a private entrance hall; room has windows TV, heating unit, bunk beds, and a single stall shower. Attached to the room is a private sink and toilet.

## 17. BACKSTRETCH EMPLOYEE HOUSING

A. Inspection of backstretch housing was completed by CHRB Investigator Anne Glasscock on 1/31/07

- B. Number of rooms used for housing on the backstretch of the racetrack:69 rooms in the barn area, plus 53 in the dormitory for a total of 122 rooms
- Number of restrooms available on the backstretch of the racetrack:
   Barn area has 10 restrooms with 35 toilets & 26 showers, dorm area has 6 restrooms, 3-men, 3-women
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: 1 to 7

#### 18. TRACK SAFETY

- A. Total distance of the racecourse measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

  5,290

  feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.

Inner rail is a metal gooseneck Fontana safety rail, 42" in height from track to top of rail. Outer rail is a metal rounded pipe rail.

- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Bob Turman**
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. On file
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. N/A

#### 19. DECLARATIONS

A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):

### Contract negotiations with HERE (Local 2) are underway

- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. On file
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **On file**

- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):

  No exceptions
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions**

**NOTICE TO APPLICANT:** Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

#### 20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

BERNIE THURMAN BL

Print Name

Signature

VP/BENERAL MER- ADMIN.

Print Title

Date

### STAFF ANALYSIS July 19, 2007

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ANGELES COUNTY FAIR AT FAIRPLEX SEPTEMBER 7-24, 2007.

Los Angeles County Fair filed its application to conduct a horse racing meeting at Fairplex:

• September 7-24, 2007, or 16 days, the same as 2006. The fair proposes to race 201 races.

• The proposed race dates are the approved dates allocated to the fair.

September – 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 H	4	5	6	7	8
9	io:	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

- Racing Friday through Monday the first week and Wednesday through Monday second and third week. 12 races per day Monday, Wednesday, Thursday and 13 Friday, Saturday and Sunday.
  - Number of horses available determines the number of daily races programmed by breed.
  - 2006 Race Meeting: Average number of runners per race (TB): 8.31

2006 Race Meeting: Average number of runners per race (Quarterhorse): 7.00

2006 Race Meeting: Average number of runners per race (Mules): 6.63

- Racing concurrently with Pacific Racing Association [PRA] 9/7-9, 9/12-16 and 9/19-9/23. PRA will be dark 9/10, 9/17 and 9/24.
- First post 1:00 p.m. Monday, Wednesday and Thursday and 12:00 p.m. Friday, Saturday and Sunday.
- Specific changes from the 2006 license application:
  - Increases: General parking– from \$8 to \$10.
    - Preferred parking from \$12 to \$15.
    - VIP parking will not be offered previous fee \$15
- Request Darrel Sparks be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
  - Early wagering 8:30 a.m. at Hollywood Park.

- The Advance Deposit Wagering (ADW) providers are TVG, Xpressbet and Youbet.
- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

#### RECOMMENDATION:

Staff recommends the Board approve the application.

# APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF A CALIFORNIA FAIR CHRB-18 (Rev. 07/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

#### 1. APPLICANT FAIR ASSOCIATION

	A.	Los Ang P. O. Bo	eles Coun	ty Fair A	phone and ssociation	fax number <i>Phone: Fax:</i>	s of fair 909-865-40 909-622-56			
	В.	Fair asso	ciation is		District Fair California E		County Fair nd State Fair		Citrus Frui Other qual	
NOT purs	ICE TO uant to	APPLICANT: CHRB Rule	Application 1433.	n must be	filed not later	than 90 days	before the sche	duled star	t date for the	proposed meeting
2.	DA	TES OF R	ACE ME	ETING						
	A. B. C.	Dates rac	e dates of r cing will <b>N</b> mber of ra	OT be hel	d: Sept.	7 – Sept. 2- 11, Sept. 16 tys				
3.	RAG	CING PRO	OGRAM							
	A.	Total nur	mber of ra	ces: 20	01					
	B. C.	166	of races by Thoroughb Arabians of races da	oreds [	20 Qua	arter Horses nts		Appaloo Mules	sas	
•	The	oroughbred	Sunday 10	Monday 10	Tuesday 0	Wednesday 10	Thursday 10	Friday 11	Saturday 11	
	Oth	her Breeds	3	2	0	2	2	2	2	
	Tot	tal	13	12	0	12	12	13	13	
						·				

Application received: 6/14/07 Reviewed Opa CHRB CERTIFICATION

Hearing date: 7/19/67 Approved date:

License number:

D.	Total number of stakes races by breed:
	Thoroughbreds  4 Quarter Horses  0 Appaloosas  0 Paints  0 Mules
E.	Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. <i>Attached</i>
F.	Will provisions be made for owners and trainers to use their own registered colors?  X Yes No If no, what racing colors are to be used:
~	

List all post times for the daily racing program:

#### APPROX. POST TIME

Pacific Daylight Time

	Mon., Wed., Thurs.	Fri., Sat. & Sun.
Race 1	1:00 pm	12:00 Noon
Race 2	1:30 pm	12:30 pm
Race 3	2:00 pm	1:00 pm
Race 4	2:30 pm	1:30 pm
Race 5	3:00 pm	2:00 pm
Race 6	3:30 pm	2:30 pm
Race 7	4:00 pm	3:00 pm
Race 8	4:30 pm	3:30 pm
Race 9	5:00 pm	4:00 pm
Race 10	5:30 pm	4:30 pm
Race 11	6:00 pm	5:00 pm
Race 12	6:30 pm	5:30 pm
Race 13	N/A	6:00 pm

NOTICE TO APPLICANT: 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, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

#### 4. FAIR ASSOCIATION

Names of the fair directors:

Stephen C. Morgan, Chairman

Richard Crean, Vice Chairman Arthur Ludwick Jil Stark Bernard Bernstein Robert Dukes Larry Rinehart Ronald Vera Juan Gamboa Reginald Webb Linda Keagle

Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of B. the racing program: N/A



# 2007 STAKES SCHEDULE

DATE	AND AND THE THE THE PARTY STAKE IS TO SEE	PURSE/DISTANCE
Fri. Sep 07, 2007	DERBY TRIAL STAKES Three Year Olds	\$65,000 Guaranteed One Mile & One Sixteenth
Sat Sep 08, 2007	PHIL D. SHEPHERD STAKES Three Year Olds & Upward	\$65,000 Guaranteed One Mile & One Sixteenth
Sun. Sep 09, 2007	E. B. JOHNSTON STAKES Fillies & Mares, Three Year Olds & Upward	\$65,000 Guaranteed One Mile & One Sixteenth
Mon. Sep 10, 2007	FOOTHILL STAKES Three Year Olds	\$65,000 Guaranteed Six & One Half Furlongs
Wed. Sep 12, 2007	BEAU BRUMMEL STAKES Two Year Olds	\$65,000 Guaranteed Six & One Half Furlongs
Thu. Sep 13, 2007	BUSTLES AND BOWS STAKES Fillies, Two Year Olds	\$65,000 Guaranteed Six & One Half Furlongs
Fri. Sep 14, 2007	PIO PICO STAKES Fillies & Mares, Three Year Olds & Upward (Bred in California)	\$65,000 Guaranteed Six & One Half Furlongs
Sat. Sep 15, 2007	BARRETTS DEBUTANTE Fillies, Two Year Olds	\$150,000 Estimated Six & One Half Furlongs
Sun. Sep 16, 2007	BARRETTS JUVENILE Two Year Olds	\$150,000 Estimated Six & One Half Furlongs
Mon. Sep 17, 2007	CTBA MARIAN STAKES Fillies, Three Year Olds	\$65,000 Guaranteed One Mile & One Sixteenth
Wed. Sep 19, 2007	BLACK SWAN STAKES Fillies, Two Year Olds	\$65,000 Guaranteed One Mile & One Sixteenth
Thu. Sep 20, 2007	GATEWAY TO GLORY STAKES Two Year Olds	\$65,000 Guaranteed One Mile & One Sixteenth
Fri. Sep 21, 2007	LAS MADRINAS HANDICAP Fillies & Mares, Three Year Olds & Upward	\$100,000 Guaranteed One Mile & One Sixteenth
Sat Sep 22, 2007	POMONA DERBY Three Year Olds	\$100,000 Guaranteed About One Mile & One Eighth
Sun. Sep 23, 2007	RALPH M. HINDS POMONA INVITATIONAL HANDICAP Three Year Olds & Upward (Invitational)	\$125,000 Guaranteed About One Mile & One Eighth
Sun. Sep 23, 2007	GOVERNOR'S CUP Three Year Olds & Upward	\$65,000 Guaranteed Six & One Half Furlongs
Mon. Sep 24, 2007	BANGLES AND BEADS STAKES Fillies & Mares, Three Year Olds & Upward	\$65,000 Guaranteed Six & One Half Furlongs



# 2007

# QUARTER HORSE STAKES SCHEDULE

DATE	<u>STAKE</u>	DISTANCE/PURSE
Sunday Sept. 9	POMONA EXPRESS STAKES Three Year Olds & Upward	\$15,000 Added 220 Yards
Sunday Sept. 16	BROTHERLY CLAIMING STAKES Three Year Olds & Upward	\$10,000 Guaranteed 220 Yards
Wednesday Sept. 19	POMONA JUVENILE CHAMPIONSHIP Two Year Olds	\$15,000 Added 350 Yards
Sunday Sept. 23	POMONA QUARTER HORSE CHAMPIONSHIP Three Year Olds & Upward	\$17,500 Added 400 Yards

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C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, other than those listed in 9B, who will be listed in the official program:

#### **OFFICERS**

James E. Henwood, President & Chief Executive Officer
Dale Coleman, Vice President-Sales, Marketing, & Creative Planning
Michael Seder, Vice President Finance & Chief Financial Officer
Dwight Richards, Vice President - Operations
Jeff Tucci, Vice President - Hospitality

#### **MANAGEMENT**

Paul Ryneveld, Equine Manager
Dennis Fee, Security/Parking Manager
Wendy Talarico, Communications Manager
Karen Furlow, Controller
Jerry McMahon, President & General Manager
Barretts Equine Ltd.

William Shacklett, Facilities Manager Scott Kelly, Director of Marketing Michelle DeMott, Marketing Manager Ralph Schorbach, I.T. Manager Ray Ortegaso, Director of Corporate Development

#### 5. PURSE PROGRAM

A. Purse distribution:

1. All races other than stakes:

Current meet estimate:

\$3,862,369

Prior meet actual:

\$3,853,239

2. Overnight stakes:

Current meet estimate:

0

Prior meet actual:

0

3. Non-overnight stakes:

Current meet estimate:

\$1,462,500

Prior meet actual:

\$1,400,967

B. Funds to be generated for all California-bred incentive awards:

Current meet estimate:

\$320,000

Prior meet actual:

\$319,910

C. Payment to each recognized horsemen's organization contracting with the fair:

Current meet estimate:		Prior meet actual:
CTT	\$15,198	\$14,981
TOC	\$30,856	\$30,416
NTRA	\$20,724	\$19,938
PCQHRA	\$4,520	\$4,814
AMRA	\$8,655	\$8,208
CHBPAPEN	<i>\$46,053</i>	<i>\$45,398</i>
CTHF	<u>\$46,053</u>	<u>\$45,398</u>
Total	\$172,059	Total <i>\$169,153</i>

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D. Amount from all sources to be distributed at the meeting in the form of purses or other benefits to horsemen (5A+5B+5C):

Current meet estimate:

\$5,816,928

Prior meet actual:

\$5,743,269

E. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate:

\$4,872,928

Prior meet actual:

\$4,800,836

F. Purse funds to be generated from interstate handle:

Current meet estimate:

\$624,000

Prior meet actual:

\$622,523

G. Bank and account number for the Paymaster of Purses' purse account: **Bank of American - Account # On file** 

H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting: Bowen McBeth, Inc., 10722 Arrow Route, Suite 110, Rancho Cucamonga, CA 91730, 909-944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, shall not be deemed as income to the fair and shall, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from offtrack simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of underpayment of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

#### 6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: 1346
- B. Minimum number of stalls believed necessary for the meeting: 1600
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: 2,468
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: Hollywood Park 300 San Luis Rey 200 Santa Anita 500 Los Alamitos 1,468
- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. *On file*

Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

F. Total number of usable stalls made available on-site for the 1986 meeting:

695 permanent;

350 portable

G. Estimated cost to provide off-site stalls for this meeting. Show cost per-day per stall:

Total cost: \$257,000

Cost per stall: \$22.02

H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for

vanning per-horse:

Total cost: \$125,810

Cost per horse:

Santa Anita \$180 round-trip
Hollywood Park \$200 round-trip
San Luis Rey \$320 round-trip
Los Alamitos \$180 round-trip

#### 7. PARI-MUTUEL WAGERING PROGRAM

A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, fairs may elect to offerwagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

TYPE OF WAGERS

APPLICABLE RULES

Ex. Race	\$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1	Mixed, \$2Q, \$1E, \$1TRI, \$1PK-3, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1979.1, #1957
Race #2	Mixed, \$2Q, \$1E, \$1TRI, \$1PK-3, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1979.1, #1957
Race #3	Mixed <sup>1</sup> /Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$.10 SF, \$2DD	CHRB #1958, 1959, #1979, #1977, #1954.1, #1979.1, #1957
Race #4	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$1PK-4 <sup>2</sup> , \$2 Parlay, \$1US begins, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1978, #1954.1, #1976, #1979.1, #1957
Race #5	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$2 PNP-6 <sup>3</sup> , \$.10 SF,\$2DD	CHRB #1958, #1959, #1979, #1977, #1954.1, #1976.9, #1979.1, #1957
Race #6	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1, #1957
Race #7	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1PK-4 <sup>4</sup> , \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1954.1, #1978, #1979.1, #1957
Race #8	Thor. \$2Q, \$1E, \$1TRI,\$1 PK-3,	CHRB #1958, #1959, #1979, #1977, #1954.1,

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	\$2 Parlay, \$.10 SF, \$2DD	#1979.1, #1957
Race #9	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1, #1957
Race #10	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1, #1957
Race #11	Thor. \$2Q, \$1E, \$1TRI, \$2 Parlay, \$.10 SF, \$1PK-3, \$2DD	CHRB #1958, #1959, #1979, #1954.1, #1979.1, #1977, #1957
Race #12	Thor. \$2Q, \$1E, \$1TRI, \$.10 SF, \$2DD	CHRB #1958, #1959, #1979, #1979.1, #1957
Race #13	Thor. \$2Q, \$1E, \$1TRI, \$.10 SF	CHRB #1958, #1959, #1979, #1979.1

- 1 Three mixed breed races are scheduled on days to be determined.
- Early \$1 PK-4 offered starting with the 4<sup>th</sup> race daily.
- 3 \$2 PNP-6 offered in the last six races daily
- 4 Late \$1 PK-4 offered in the last four races daily.

NOTE: On days with less races, the type of wagers offered based on this schedule will be rolled forward or backwards accordingly.

- B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool: September 24, 2007
  C. List any options requested with regard to exotic wagering: None
  D. Will "advance" or "early bird" wagering be offered? X Yes No If yes, when will such wagering begin:

  Hollywood Park 8:30 a.m.
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract: Scientific Games (Autotote), Terence McWilliams, Expiration: 9/2012

#### 8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the fair to conduct simulcast wagering: **Southern California OffTrack Wagering, Inc.**
- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. *On file with the CHRB*.
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal: (Exhibit A)
- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal: (Exhibit B)
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair: (Exhibit C)
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

  (Exhibit D)

#### Exhibit A

Alameda County Fair, Pleasanton Antelope Valley Fair, Lancaster Barona Casino, Lakeside Bay Meadows, San Mateo Big Fresno Fair, Fresno Cabazon Fantasy Springs Casino, Indio California State Fair & Expo, Sacramento Earl Warren Showgrounds, Santa Barbara Fairplex Park, Pomona Fresno Club One, Fresno Golden Gate Fields, Albany Hollywood Park, Inglewood Humbolt County Fair, Ferndale Kern County Fair, Bakersfield Los Alamitos Racecourse, Los Alamitos Monterey County Fair, Monterey National Orange Show, San Bernardino Redwood Acres Fair, Eureka San Bernardino County Fair, Victorville San Joaquin County Fair, Stockton Santa Clara County Fair, San Jose Santa Anita Park, Arcadia Santa Maria Fair Park, Santa Maria Shalimar Sports Center, Indio Shasta District Fair, Anderson Solano County Fair, Vallejo Sonoma County Fair, Santa Rosa Stanislaus County Fair, Turlock Sycuan Gaming Center, El Cajon The Farmers Fair, Perris Tulare County Fair, Tulare Ventura County Fair, Ventura Viejas Casino & Turf Club, Alpine

#### Exhibit B

AmericaTab, Ohio Arapahoe Park, Colorado

Arlington International Race Course, Illinois

Assiniboia Downs, Canada

Atlantic City Casino Assn., New Jersey Atlantic City Race Course, New Jersey

Atokad Park, South Dakota Balmoral Park, Illinois Bangor Raceway, Maine Barrie Raceway, Ontario Batavia Downs, New York

Belmont Gaming, New Hampshire

Beulah Park, Ohio

Birmingham Race Course, Alabama Blue Ribbon Downs, Oklahoma

Buffalo Trotting Association, New York

Calder Race Course, Florida

Caliente, Mexico

Canterbury Park, Minnesota Capital District OTB, New York

Capital Sports, Australia

Catskill Regional OTB, New York Caymanas Race Track, Jamaica Charles Town Races, West Virginia Chester Downs - Pennsylvania Churchill Downs, Kentucky

Choctaw Racing Services, Oklahoma

Colonial Downs, Virginia
Columbus Races, Nebraska
Connaught Park, Canada
Connecticut OTB, Connecticut
Corpus Christi Greyhound, Texas
Dairyland Greyhound Park, Wisconsin

Delaware Park, Delaware Delta Downs, Louisiana Dover Downs, Delaware

Downs at Albuquerque, New Mexico

Downs at Santa Fe, (PTE Inc.), New Mexico

Edmonton Northlands, Canada

Elite Turf Club, Curacao Ellis Park, Kentucky Elmira Raceway, Ontario Euro Off Track, Europe European Simulco, Europe Evangeline Downs, Louisiana Fairgrounds Racecourse, Louisiana

Fairmount Park, Illinois

Finger Lakes Race Track, New York

Flamboro Downs, Ontario Fonner Park, Nebraska Fort Erie Racetrack, Canada Foxboro Park, Massachusetts

Foxwoods Casino (LVDC), Connecticut

Fraser Downs, British Columbia Freehold Raceway, New Jersey

Gulf Greyhound, Texas Gulfstream Park, Florida Hanover Raceway, Canada

Harrington Raceway & Simulcast, Delaware

Hastings Park, Canada

Hawthorne Race Course, Illinois

Hazel Park, Michigan Hiawatha Downs, Ontario

Hinsdale Greyhound Park, New Hampshire

Hipodromo de las Americas, Mexico Hipodromo Presidente Remon, Panama

Hoosier Park, Indiana

Horsemen's Park, Nebraska Indiana Downs, Indiana

International All Sports, Europe

International Racing and Gaming, Curacao

Jackson Harness Raceway, Michigan

Kawartha Downs, Ontario Keeneland, Kentucky Kentucky Downs, Kentucky Kentucky OTB, Kentucky

L' Hippodrome de Montreal, Canada

Las Vegas Dissemination Company, Nevada

Lebanon Trotting Club, Ohio

Les Bois Park, Idaho Lewiston Raceway, Maine Lien Games, North Dakota

Lincoln Greyhound Park, Rhode Island

Lone Star Race Park, Texas Louisiana Downs, Louisiana

Manor Downs, Texas

Marquis Downs, Saskatchewan Maryland Jockey Club, Maryland

Maywood Park, Illinois

Meskwaki Casino (LVDC), Oklahoma

Mile High Greyhound, CO

Mobile Greyhound Park, Alabama

Monmouth Park, New Jersey Montana State Fair, Montana

Monticello Raceway, NY

Mountaineer Park, West Virginia

Mt. Pleasant Meadows, Michigan

Multnomah Greyhound Park, Oregon

Muskegon Race Course, Michigan

Nassau Regional OTB, New York

Nebraska State Fair Park, Nebraska

Nevada Pari-Mutuel Association, Nevada

NJSEA, New Jersey

New Mexico State Fair, New Mexico

New York City OTB, New York

New York Racing Association, New York

Newport Jai-Alai, Rhode Island

North Dakota Horse Park, North Dakota

Northfield Park, Ohio

Northville Downs, Michigan

Northwest Racing Associates, Washington

Oaklawn Park, Arkansas Ocean Downs, Maryland

Penn National Race Course, Pennsylvania

Philadelphia Park, Pennsylvania

Picov Downs, Canada

Pimlico Race Course, Maryland

Plainfield Greyhound Park, Connecticut

Pocono Downs, Pennsylvania Portland Meadows, Oregon

Prairie Meadows, Iowa

Queensbury Downs, Saskatchewan

Raceway Park, Ohio

Racing and Gaming Services, St Kitts

Racing World UK, England

Remington Park, Oklahoma

Retama Park, Texas

Rideau Carleton Raceway, Canada

River Downs, Ohio

Roberts Television International, NV

Rockingham Park, New Hampshire

Royal River Racing, South Dakota

Ruidoso Downs, New Mexico

Saginaw Harness Raceway, MI

Sam Houston Park, Texas

Saratoga Raceway, New York Scarborough Downs, Maine

Scioto Downs, Ohio

Seabrook Greyhound Park, NH

Southland Greyhound Park, Arkansas

Sports Creek Raceway, Michigan

Sportsman's Park, Illinois

St. Croix Greyhound Park, Wisconsin

Stampede Park, Alberta

Stevenson & Associates, Maryland

Sudbury Downs, Canada

Suffolk Downs, Massachusetts

Sunland Park Racetrack, New Mexico

Sun Ray Park, New Mexico

Tampa Bay Downs, Florida

Texas Hub, Texas

The Meadows, Pennsylvania

The Racing Channel, Pennsylvania

The Racing Channel International, Europe

Thistledown Racing Club, Ohio

Thunder Ridge, Kentucky

Tioga Downs, New York

Tri-State Greyhound, West Virginia

Trinity Meadows, Texas

TVG, Los Angeles

Turf Paradise, Arizona

Turfway Park, Kentucky

US Off-Track, Oregon

Valley Greyhound Park, Texas

Vernon Downs, New York

Western Fair, Ontario

Western Regional OTB, New York

Wheeling Downs, Canada

Windsor Raceway, Ontario

Wichita Greyhound Park, Kansas

Woodbine Entertainment Corp, Ontario

Wonderland Park, Massachusetts

Woodbine, Ontario

Woodlands, Kansas

Wyoming OTB, Wyoming

XpressBet, Pennsylvania

Yavapai Downs, Arizona

Yonkers Raceway, New York

YouBet, Los Angeles

Zia Park, New Mexico

#### Exhibit C

America Tab, Ohio

Amwest Entertainment, Kentucky

Arapahoe Park, Colorado

Arlington International Race Course, Illinois

Atlantic City Casino Assn., New Jersey Atlantic City Race Course, New Jersey

Atokad Park, Nebraska Balmoral Park, Illinois Bangor Raceway, Maine Batavia Downs, New York

Beulah Park, Ohio

Birmingham Race Course, Alabama Blue Ribbon Downs, Oklahoma

Buffalo Trotting Association, New York

Calder Race Course, Florida Canterbury Park, Minnesota Capital District OTB, New York

Capital Sports, Australia

Catskill Regional OTB, New York Charles Town Races, West Virginia Chester Downs - Pennsylvania Churchill Downs, Kentucky

Choctaw Racing Services, Oklahoma

Colonial Downs, Virginia
Columbus Races, Nebraska
Connaught Park, Canada
Connecticut OTB, Connecticut
Corpus Christi Greyhound, Texas
Dairyland Greyhound Park, Wisconsin

Delaware Park, Delaware Delta Downs, Louisiana Dover Downs, Delaware

Downs at Albuquerque, New Mexico

Downs at Santa Fe, (PTE Inc.), New Mexico

Ellis Park, Kentucky
Elmira Raceway, Ontario
Euro Off Track, Europe
European Simulco, Europe
Evangeline Downs, Louisiana
Fairgrounds Racecourse, Louisiana

Fairmount Park, Illinois

Finger Lakes Race Track, New York

Flamboro Downs, Ontario Fonner Park, Nebraska Foxboro Park, Massachusetts Foxwoods Casino (LVDC), Connecticut

Fraser Downs, British Columbia Freehold Raceway, New Jersey

Gulf Greyhound, Texas Gulfstream Park, Florida Hanover Raceway, Canada

Harrington Raceway & Simulcast, Delaware

Hastings Park, Canada

Hawthorne Race Course, Illinois

Hazel Park, Michigan

Hinsdale Greyhound Park, New Hampshire

Holiday Beach Hotel, Curacao

Hoosier Park, Indiana Horsemen's Park, Nebraska Indiana Downs, Indiana

International All Sports, Europe Jackson Harness Raceway, Michigan

Kawartha Downs, Ontario Keeneland, Kentucky Kentucky Downs, Kentucky Kentucky OTB, Kentucky

Las Vegas Dissemination Company, Nevada

Lebanon Trotting Club, Ohio

Les Bois Park, Idaho Lewiston Raceway, Maine Lien Games, North Dakota

Lincoln Greyhound Park, Rhode Island

Lone Star Race Park, Texas Louisiana Downs, Louisiana

Manor Downs, Texas

Marquis Downs, Saskatchewan Maryland Jockey Club, Maryland

Maywood Park, Illinois

Meskwaki Casino (LVDC), Oklahoma

Mile High Greyhound, CO

Mobile Greyhound Park, Alabama Monmouth Park, New Jersey Montana State Fair, Montana Monticello Raceway, NY

Mountaineer Park, West Virginia Mt. Pleasant Meadows, Michigan Multnomah Greyhound Park, Oregon Nassau Regional OTB, New York Nebraska State Fair Park, Nebraska Nevada Pari-Mutuel Association, Nevada

#### Exhibit C

NJSEA, New Jersey

New Mexico State Fair, New Mexico

New York City OTB, New York

New York Racing Association, New York

Newport Jai-Alai, Rhode Island

North Dakota Horse Park, North Dakota

Northfield Park, Ohio

Northville Downs, Michigan

Northwest Racing Associates, Washington

Oaklawn Park, Arkansas

Ocean Downs, Maryland

Penn National Race Course, Pennsylvania

Philadelphia Park, Pennsylvania

Picov Downs, Canada

Pimlico Race Course, Maryland

Plainfield Greyhound Park, Connecticut

Pocono Downs, Pennsylvania

Portland Meadows, Oregon

Prairie Meadows, Iowa

Raceway Park, Ohio

Racing and Gaming Services, St Kitts

Racing World UK, England

Remington Park, Oklahoma

Retama Park, Texas

Rideau Carleton Raceway, Canada

River Downs, Ohio

Roberts Television International, NV

Rockingham Park, New Hampshire

Royal River Racing, South Dakota

Ruidoso Downs, New Mexico

Saginaw Harness Raceway, MI

Sam Houston Park, Texas

Saratoga Raceway, New York

Scarborough Downs, Maine

Scioto Downs, Ohio

Seabrook Greyhound Park, NH

Southland Greyhound Park, Arkansas

Sports Creek Raceway, Michigan

Sportsman's Park, Illinois

-St. Croix Greyhound Park, Wisconsin

Stampede Park, Alberta

Stevenson & Associates, Maryland

Sudbury Downs, Canada

Suffolk Downs, Massachusetts

Sunland Park Racetrack, New Mexico

Sun Ray Park, New Mexico

Tampa Bay Downs, Florida

Texas Hub, Texas

The Meadows, Pennsylvania

The Racing Channel, Pennsylvania

The Racing Channel International, Europe

Thistledown Racing Club, Ohio

Thunder Ridge, Kentucky

Tioga Downs, New York

Tri-State Greyhound, West Virginia

Trinity Meadows, Texas

TVG, Los Angeles

Turf Paradise, Arizona

Turfway Park, Kentucky

US Off-Track, Oregon

Valley Greyhound Park, Texas

Vernon Downs, New York

Western Fair, Ontario

Western Regional OTB, New York

Wheeling Downs, Canada

Wichita Greyhound Park, Kansas

Windsor Raceway, Ontario

Wonderland Park, Massachusetts

Woodbine, Ontario

Woodlands, Kansas

Wyoming OTB, Wyoming

XpressBet, Pennsylvania

Yavapai Downs, Arizona

Yonkers Raceway, New York

YouBet, Los Angeles

Zia Park, New Mexico

1

#### Exhibit D

Date	Location	Feature and / or Stakes Races	Grade	Purse	Distances
9/7/07	Belmont	The Gen. Douglas MacArthur		\$100,000 1	Mile
9/8/07 9/8/07 9/8/07 9/8/07 9/8/07 9/8/07	Belmont Belmont Belmont Arlington Arlington Arlington	The Man O' War Ruffian Handicap The Garden City BC The Pucker Up Stakes Arlington-Washington Lassie F & M Arlington Matron Handicap	)    -         	\$300,000 1 \$250,000 1	1/8 Miles (turf) 1/8 Mile (turf) Mile
9/9/07	Belmont	The Schenectady		\$100,000 6	Furlongs
9/15/07 9/15/07 9/15/07 9/15/07 9/15/07	Belmont Belmont Belmont Belmont Arlington	Noble Damsel Handicap Matron Stakes Futurity The Gazelle Ada L. Rice Illinois Owners Stakes	HII     	\$150,000 1 \$250,000 1 \$250,000 1 \$250,000 1 \$100,000 1	Mile Mile 1/8 Miles
9/16/07 9/16/07 9/16/07	Belmont Woodbine Belmont	Brooklyn Breeders' Cup Handicap Bell Woodbine Mile The Ashley T. Cole	[] [	\$150,000 1 \$1,000,000 1 \$100,000 1	
9/22/07 9/22/07 9/22/07 9/22/07 9/22/07 9/22/07 9/22/07 9/22/07	Louisiana Downs Louisiana Downs Louisiana Downs Calder Belmont Calder Calder Calder Turfway Park	Unbridled BC Super Derby Marie P. DeBartolo Judy's Red Shoes The Gallant Bloom Needles Stakes Brave Raj Stakes Foolish Pleasure Stakes Weekend Delight Stakes	11	\$500,000 1 \$200,000 1 \$100,000 1 \$150,000 6 \$100,000 1 \$150,000 1	1/16 Mile (turf) Mile 1/16 1/2 Furlongs Mile 1/16 Mile & 70 yds Mile & 70 yds
9/23/07 9/23/07 9/23/07	Belmont Belmont Hastings	The Joseph A. Gimma The Bertram Bongard Breeders Cup Derby	III	\$100,000 7 \$100,000 7 \$250,000 9	Furlongs

#### Full & Partial Cards

Arlington Park: September 7 – September 16, 2007 Belmont Park: September 7, 2007 – September 24, 2007 Calder Race Course: September 7, 2007 – September 24, 2007 Thistledown: September 7, 2007 – September 24, 2007

Turfway Park: September 7, 2007 – September 24, 2007 Woodbine: September 7, 2007 – September 24, 2007 Hastings Park: September 7, 2007 – September 24, 2007 Fort Erie: September 7, 2007 – September 24, 2007 CHRB-18 (Rev. 07/05)

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

#### THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track

Race Dates

Full Card or Selected Feature and/or Stakes Races

G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

None

#### OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track

Breed of Horse

Race Dates

Number of Races to be Imported

H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s). *N/A* 

NOTICE TO APPLICANT: All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

#### 9. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing Officials nominated:

Association Veterinarian(s) J. Thomas Hoyme, D.V.M.

Clerk of Scales Ruben Hernandez

Clerk of the Course
Film Specialist
Cheryl White
Horse Identifier
Darrel Sparks
Horseshoe Inspector
Victor Tovar
Paddock Judge
Ratrol Judges
Danny Winick

Cheryl White
Heather Correa
Kevin Colosi

Placing Judges Kevin Colosi

Matt Nichols Jay Slender Leslie Miller Melody Truitt

Starter Steward's Aide Timer Quick Official

Larry Gilligan

B. Management officials in the racing department:

Director of Racing N/A

Racing SecretaryRichard WheelerAssistant Racing SecretaryZachary SotoPaymaster of PursesBridget Crawford

Others (identify by name and title)

Equine Manager Paul Ryneveld Racing Consultant Cliff Goodrich Racing Consultant Tom Robbins Racing Supervisor Terry Gilligan Racing Secretary-Quarter Horses & Appaloosas Robert Moreno Jockey Room Custodian Charles McCaul Mutuel Manager Bill Navarro Safety Manager Dennis Fee Announcer Trevor Denman Track Superintendent Steve Wood Director of Labor Relations Ken Walker

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

Barbara Weinstein, PMB 265, 9582 Hamilton Ave., Huntington Beach, CA 92646, 714-964-7102

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

William D. O'Brien, Plusmic Corp USA

Expiration Date of Contract: 12/31/07

Expiration Date of Contract: 9/26/07

E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. Jim Porep, Pegasus Communication Expiration of Contract: 4/30/08

One pan camera located in the Grandstand crow's nest near the Finish Line. Tower cameras are located at the 1/8 Pole, 9/16 Pole and 1/4 Pole. In addition, we have a fixed camera on the Starting Gate and 3 additional handheld cameras at the Paddock, Winner's Circle and the Starting Gate.

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

TP-2500G Time Processor timing controller Provided by Essential Data Control Systems CARF, Larry Swartzlander 1776 Tribute Road, Suite 150 Sacramento, CA 95815

Timing cells - (16) 42 MRR - 5,000 receiving cells
(16) 42 MRR - 5,000 light source cells
Owned and operated by Fairplex

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#### 10. SECURITY CONTROLS

A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

•	Dwight Richards, Vice-President Operations	909-865-4202
•	Dennis Fee, Safety Services Manager	909-865-4355
•	Lt. Anthony Casella, CHRB Security Supervisor	909-865-4654
•	Dean Gardner, Sergeant	909-865-4654

- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **39** *Security Guards* 
  - 1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. *Attached Security Plan*
  - 2. Detention Barns:
    - A. Attach a plan for use of graded stakes or overnight races. Attached Security Plan
    - B. Number of security guards in the detention barn area during a 24-hour period. See Attached Security Plan
    - C. Describe number and location of surveillance cameras in detention barn area. **See Attached Security Plan**
  - 3. TCO2 Testing:
    - A. Number of races to be tested, and number of horses entered in each race to be tested. We will test every horse or mule in every race.
    - B. Plan for enhanced surveillance for trainers with high-test results.

Trainers with high test results and who enter their horses in a race will have those horses placed in the detention barn in accordance with attached Security Plan..

C. Plan for detention barns for repeat offenders.

All horses entered in races by repeat offenders will be placed in the detention barn in accordance with attached Security Plan.

D. Number of security personnel assigned to the TCO2 program.

Up to three. See attached Security Plan.

C. Describe the electronic security system:

Money room in the Grandstand Mezzanine has magnetic connections at each opening. There are also interior motion detectors. These systems are monitored by a central alarm station located at Gate 1, which is manned by Security 24 hours a day.

1. Location and number of video surveillance cameras for the detention barn and stable gate.

#### SECURITY PLAN

#### **Security Controls**

Paragraph B (1) Surveillance of horses in races with a purse of \$100,000 or more:

Del Mar will provide payroll and administrative services for the coordinator for this project. "In today" horses in the Barretts Juvenile and Debutante, Las Madrinas, Pomona Derby and the Ralph M. Hinds Pomona Invitational Handicap will be subject to surveillance. The CHRB will provide hand-held cameras and the coordinator will be responsible to hiring non-union security to remain outside the stall of each horse in these races 6 hours prior to the running of the race. The security person assigned to a horse will escort the horse from the stall to the receiving barn. Anytime an authorized person enters the stall within the 6 hour period, the security person must operate the camera and memorialize the interaction of the authorized person and the horse.

#### Paragraph B (2) Detention Barn

A) Barn 28A is our detention barn. Cameras are installed and will be operational every racing day. Video tapes will also be available for review by the stewards at their request. Upon written instruction from the CHRB, trainers may be required to place their "in today" horse in the detention barn 24 hours prior to the race.

With regard to TCO2 detention barn procedures, protocols and disciplinary procedures as set forth in agreements with TOC and CTT, these items are detailed in the TOC agreement.

B) Three Guards cover the Detention Barn, one per eight hour period.

#### C) Camera Locations

Camera surveillance locations cover:

- West Gate: Pan Tilt Zoom Camera. View of vehicle entering into restricted CHRB area.
- East Gate: Pan Tilt Zoom Camera. View of vehicles exiting out of CHRB area.
- Triangle Parking: General coverage of parking lot.
- Barn 28A: Camera coverage of all 10 stalls and outside East/West stalls sides. These cameras monitor for activities in these locations and are recorded for a specific number of days. Monitoring of surveillance cameras are done at Backside Security office, the West Gate, and Security Headquarters.

#### **Holding Barn**

Barretts Barn 1 is our holding barn. All horses shipping in, except those accommodated by trainers assigned stalls, will be housed in the holding barn while on the grounds at Fairplex Park.

#### **Shockwave Therapy Barn**

A stall in Barretts Barn 1 will be assigned for this procedure. All horses receiving this treatment must register and use this stall.

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See attached Security Plan.

#### 11. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

#### Workouts:

Cole-Schaefer Ambulance Service, 324 N. Towne Avenue, Pomona, CA 91767

Emergency Telephone No.: 800-966-4727 / 909-622-1273

Regional Manager - Simon Concepcion, cell: 909-263-4559

#### Running of the races:

Huntington Ambulance, P. O. Box 145, Sunset Beach, California 90742, 562-904-1550 Emergency Telephone No.: 562-460-1463

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

Santa Anita, Hollywood Park and Los Alamitos

Huntington Ambulance, P. O. Box 145, Sunset Beach, California 90742, 562-904-1550

Emergency Telephone No.: 562-460-1463

San Luis Rey Downs, North County Fire Protection District, Fallbrook, CA, 760-723-2005

- C. Attach a fire clearance from the fire authority having jurisdiction over the premises. *Inspection completed July 1, 2007, clearance documentation will be provided as soon as possible.* 
  - D. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers' compensation. *Attached*

#### 12. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, other than those already identified, and the goods and/or services to be provided by each:

Cornucopia, LLC at Fairplex, Jeff Tucci, P. O. Box 2250, Pomona, CA 91769 Today's Racing Digest, Kay Neves, 1414 E. Foothill Blvd., Glendora, California 91741 Bob's Cards, Inc., Tiffany Bohland, 6288 Highland Meadows, Medina, Ohio 44256 P.O. Box 15518, Sacramento, CA 95852 - tel 9

tel 916.921.2273 fax 918.283.8159

April 16, 2007

To:

California Horse Racing Board (CHRB)

Attn: Ingrid Fermin, Executive Director

1010 Hurley Way, Suite 300 Sacramento, CA 95825

Re:

Los Angeles County Fair/Fairplex

PO Box 2250 Pomona, CA: 91769

Please be advised that the Los Angeles County Fair/Fairplex is a member of the California Fair Services Anthonity (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

#### II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

A. Primary Coverage

\$500,000 self-insured retention California Fair Services Authority

Coverage continuous until cancelled

B. Excess Coverage

(a) Workers' Compensation: \$199,500,000 in excess of \$500,000

(b) Employers' Liability: \$4,500,000 in excess of \$500,000 Coverage provided by CSAC Excess Insurance Authority

Term: 07/01/2006 to 07/01/2007

CFSA represents to CHRB that within the above limits, tettus and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the Los Angeles County Fair/Fairplex as set forth in CHRB's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Lewellen

Sincerely,

Lianne Lewellen Risk Analyst

cc: Jackie Wagner

A Joint Powers Authority comprised of the State of California, Department of Food & Agricultura, the counties of Humboldt, Lassen, Madera, Mendocino, Menterey, Placer, Plumas, San Benito, San Joaquin, San Mateo, Santa Clara and Trinity, and the California Exposition and State Fals.

#### 13. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

Detailed Marketing Plan - on file.

#### A. Describe any promotional plans:

- Handicapping Tournament & Contests
- \$1 Opening Day Admission
- Pari-Mutuel Ticket Giveaway
- Racefan Appreciation Days
- Poker Party
- Bingo Bash
- Aloha Fridays
- Day At The Races
- Season Pass Program

#### B. Number of hosts and hostesses employed for meeting:

We employ approximately 25 customer service representatives on weekdays (Monday, Wednesday, Thursday), and 35 on weekends (Friday, Saturday, Sunday).

#### C. Describe facilities set aside for new fans:

- At Fairplex Park, we are geared for new fans by nature of the L.A. County Fair and the 1.4 million people it attracts.
- We create an exhibit on Broadway Street, the main street of the Fair, complete with a retired race horse, pari-mutuel machines, friendly and helpful customer service personnel to answer questions about horse racing and to demonstrate how to place a wager with the STAN betting machine.
- We gather 10-30 Fairgoers from the exhibit for each race and give them a guided tour of the grandstand, give each a free racing program for the day, give each a free \$2 bet so that we guarantee at least one winner in each race, provide a table and chair in an exclusive box seat section and show them how to use the betting machine and what to expect as the horses come onto the racetrack and what happens during the race.
- In addition to the many and diverse food and beverage eateries on the Fairgrounds, Fairplex Park offers uniqueness and variety for F&B options at the racetrack. We have designed places to have fun with a group of friends, business associates and places to meet new folks. Here's a run-down of where to go for the type of fun you're looking for:
  - The Veranda at Fairplex Park. This is a popular group dining area with a close-up view of the racing action right on the clubhouse turn. Savor a delicious carving-station buffet lunch at your reserved, comfortable table. Restrooms, a full-service bar and wagering amenities are easily accessible and service with a smile comes at no extra charge.
  - o **Box Seats at Fairplex Park**. Located right in front of the racing action, this is the perfect place to kick back and enjoy the races with your friends. Have a blast with your friends!
  - o Long Line Bar & Grill: Be where the action is! This is the hot spot for owners and trainers to hang out before and after the races. Located adjacent to the saddling paddock, saddle up to the bar or sit down and enjoy a burger or a dog from the grill. Just maybe you'll hear the name of the next race winner!
  - o Top of the Park Terrace: The Terrace features canopied outdoor seating, Top of the

Park menu-dining, friendly service, your own tabletop monitors and a majestic, panoramic view of Fairplex Park and the beautiful San Gabriel Mountains. Located high above the clubhouse turn, you'll see every step of the race from this spectacular vantage point!

- Top of the Park Restaurant: Make reservations early! This is the most popular dining at the track. You'll have your own table with plenty of large TV monitors for easy viewing. The bar is always a happening place, so play the ponies and celebrate with your friends until the last race.
- Clubhouse Level 3 will be our designated activities floor for fun and games for new fan development. Popular games, such as, bingo and poker will be played on selected days in order to introduce new players to the sport of horse racing.

### D. Describe any improvements to the physical facility in advance of the meeting that directly benefits:

1. Horsemen

Major repair and painting of barns (restricted area)

2. Fans

Renovation of Clubhouse level 2 – paint, carpet, furniture Upgrade of entrances to grandstand and apron areas. Ongoing replacement of television monitors with flat panel televisions. Creation of new eateries in the grandstand (see above)

3. Facilities in the restricted areas

Purchase game tables for the backside café (restricted area) Equineciser – jogging machine See D1

#### 14. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from previous year:

General Admission Adults	\$10 weekdays/\$15 weekends
General Admission Child	\$ 6 weekdays/\$10 weekends
General Admission Seniors	\$ 5 Senior Days/\$ 8 weekdays/\$12 weekends
Adult purchased through Group Sales	\$ 9
Child purchased through Group Sales	\$ 5
RaceFan ClubCard	\$ 7
Box Seats	\$ 3
General Parking	\$10 (\$ 8 in 2006)
Preferred Parking	\$15 (\$12 in 2006)
VIP Parking (none in 2007)	(\$15 in 2006)
Programs On-Track	2.25
Programs Off-Track	2.25

- B. Describe any "Season Boxes" or other special accommodation fees: Described above
- C. Describe any "package" plans such as combined parking, admission and program: Season Admission Pass Daily pass with free parking upgrades \$39.95

#### 15. JOCKEYS' QUARTERS

A. Check the applicable amenities available in the jockeys' quarters:

Corners (lockers and cubicles)

Showers

Steam room course or steam or him to

X Showers X Steam room, sauna or steam cabinets X Lounge area

Masseur X Food/beverage service X Certified platform scale

B. Describe the quarters to be used for female jockeys:

12' x 11' lounge with air conditioning and closed circuit TV. 11' x 13' restroom with shower, sauna and 4 cubicles. Located between Paddock and Food and Beverage Area

#### 16. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing is scheduled for August 9, 2007 by Investigator Jim Hamilton.
- B. Number of rooms used for housing on the backstretch of the racetrack: 0
- C. Number of restrooms available on the backstretch of the racetrack: 26
- D. Estimated ratio of restrooms to the number of backstretch personnel: 26/1000

#### 17. TRACK SAFETY

- A. Total distance of the racecourse measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: 3.294.46 feet.
- B. Describe the type(s) of materials used for the thner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.

Rail designed per specifications of the California Horse Racing Board.

Metal gooseneck supports with sheet metal cover.

Aluminum face of rail - 25" overhang.

Approximate height of the top of inner railing from the level of the race course - 40".

- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: *Steve Wood*
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. On file
- E. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. N/A

#### 18. DECLARATIONS

A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):

No exceptions

- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. Mule and Quarter Horse agreement on file. Thoroughbred agreement complete awaiting signature.
- C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): *No exceptions*
- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state): *No exceptions*

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

#### 19. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

Print Name

Print Title

Signature

Date

#### STAFF ANALYSIS PROPOSED AMENDMENT OF RULE 1978. SELECT FOUR

Regular Board Meeting July 19, 2007

#### BACKGROUND

Business and Professions (B&P) Code Section 19420 provides that the Board shall have 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. B&P Code Section 19440 states the Board shall have all powers necessary and proper to enable it to adopt rules and regulations for the protection of the public and the control of horse racing. B&P Code Section 19590 provides that the Board shall adopt rules governing, permitting, and regulating parimutuel wagering on horse races under the system known as the pari-mutuel method of wagering. The proposed amendment to Rule 1978, Select Four is based on the recommendations submitted by the National Thoroughbred Racing Association (NTRA) Players Panel (Panel). The Panel is an advisory body charged with making policy recommendations of importance to bettors. In issuing policy recommendations the Panel in 2004 wrote that "when late scratches occur in the Pick Three and Pick Four wagering, after wagering pools have opened, most jurisdictions arbitrarily transfer the combinations that include the scratched horse to the betting favorites. The practice is . . . unfair to bettors." The Panel recommended: "Where late scratches occur in the first leg, refund all monies for the combinations that include the scratched horse(s) (and) where late scratches occur in the middle and final legs, provide consolation payoffs to the bettors that have combined the scratched horses with the winners in the other legs, similar to traditional procedures applied to late scratches in Daily Doubles."

In 2005 the Board considered the Player's Panel recommendation to amend Rule 1977, Pick Three and adopted a proposal to eliminate the substitution of the favorite for the scratched horse and to provide for refunds and/or consolation pools for scratched horses. It was particularly important to amend the Pick Three rule because totalizator programming does not support the selection of alternates for scratched horses in the Pick Three, whereas in the Pick Four and other wagers involving four or more legs, bettors do have the option of designating an alternate to replace a scratched horse. This option for the selection of alternates is contained in Rule 1976.8, Place Pick (n), and 1976.9, Pick (n) Pool. However, this language was not added to Rule 1978, so associations wishing to provide alternate selections for the Pick Four have been using 1976.9. The proposed amendment to Rule 1978 is consistent with the Pick Three amendment adopted by the Board in 2005. At the April 2007 Regular Board Meeting staff was directed to change the name of Rule 1978 from "Select Four" to "Pick Four" providing the public with a better understanding of the wager. The Board also directed staff to initiate a 45-day public comment period regarding the proposed amendment of Rule 1978.

#### **ANALYSIS**

The proposed amendment of Rule 1978 eliminates the practice of substituting the off-time favorite for a horse scratched from any leg of the Select Four prior to the running of the first leg. The association may then allow patrons the option of selecting an alternate wagering interest. If an alternate wagering interest is not selected all wagers containing such horse(s) shall be subject to the refund/consolidation-pool requirements of the Select Four.

#### RECOMMENDATION

No comments were received during the 45-day public comment period. Staff recommends the Board adopt the proposed amendment to Rule 1978 as presented.

## CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 18. PARI-MUTUEL WAGERING PROPOSED AMENDMENT OF SECTION 1978. SELECT PICK FOUR

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1978. Select Pick Four.

- (a) The Select Pick 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 Pick 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 Pick Four provisions and rules contained in Aarticle 18.
- (c) A Select Pick 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 Pick 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 Pick Four ticket shall designate the winning horse in each of the four races comprising the Select Pick Four.
- (e) Those horses constituting an entry of coupled horses or those horses coupled to constitute the field in a race comprising the Select Pick Four shall race as a single wagering interest for the purpose of the Select Pick Four pari-mutuel pool calculations and payouts to the public. However, if any part of either an entry or the field racing as a single interest is a starter in a race, the entry or the field selection shall remain as the designated selection to win in that race for the Select Pick Four calculation, and the selection shall not be deemed a scratch.

- (f) 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 Pick Four.
- (g) If a ticket in any race compromising the Pick Four designates a selection that was scratched, excused or determined by the Stewards to be a nonstarter in the race, the association may allow patrons the option of selecting an alternate wagering interest. The alternate betting interest will be substituted for the nonstarting selection for all purposes.
- (h) If no ticket is sold combining the four winners of the Select Pick 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 Pick Four.
- (i) If no ticket is sold combining at least three winners of the Select Pick 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 Pick Four.
- (j) If no ticket is sold combining at least two winners of the Select Pick 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 Pick Four.
- (k) If no ticket is sold that would require distribution of the Select Pick Four pool to a winner under this rule, the association shall make a complete and full refund of the Select Pick Four pool.
- (l) If for any reason one of the races comprising the Select Pick Four is cancelled, the net amount of the pari\_mutuel pool shall be distributed as provided above in subsections (g), (h), (i) and (j).
- (m) If for any reason two or more of the races comprising the Select <u>Pick</u> Four is cancelled, a full and complete refund will be made of the <u>Select Pick</u> Four pool.

- (n) In the event a Select Four ticket designates a selection in any one or more of the races comprising the Select Four and that selection is scratched, excused or determined by the Stewards to be a non-starter in the race, 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 selection for all purposes, including pool calculations and payouts. In the event a ticket in any race compromising the Pick Four does not designate an alternate wagering interest the following conditions will apply. If a wagering interest is scratched (which hereinafter includes being excused or declared a non-starter) from any leg of the Pick Four prior to the running of the first leg, all wagers containing such scratched wagering interest shall be refunded.
- (o) If a wagering interest is scratched 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, third and fourth legs with such scratched horse(s) as follows: The amount represented by wagers on combinations involving horse(s) scratched 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, third and fourth legs with horse(s) scratched from the second leg.
- (p) If a wagering interest is 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, second and fourth legs with such scratched horse(s) as follows: The amount represented by wagers on combinations involving horse(s) 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, second and fourth legs with horse(s) scratched from the third leg.

- (q) If a wagering interest is scratched from the fourth leg after the start of the third leg, a consolation payout shall be computed for those wagers combining the winners of the first, second and third legs with such scratched horse(s) as follows: The amount represented by wagers on combinations involving horse(s) scratched from the fourth 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, second and third legs with horse(s) scratched from the fourth leg.
- (r) If wagering interests are scratched from the second, third and fourth 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) scratched from the second, third and fourth legs as follows: The amount wagered on the winner of the first leg combined with all other horse(s) scratched from the second, third and fourth 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) scratched from the second, third and fourth legs.
- (s) (n) In the event of a dead heat for win between two or more horses in any Select Pick 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.
- (t) (e) No pari-mutuel ticket for the Select Pick 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 Pick Four, except for such refunds on Select Pick Four tickets as required by this regulation, and no person shall disclose the number of tickets sold in the Select Pick Four pool or the number or amount of tickets selecting winners of Select Pick Four races until such time as the Stewards have determined the last race comprising the Select Pick Four to be official. Notwithstanding the above, at the conclusion of the third of the four races comprising the Select

<u>Pick</u> 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 <u>Select Pick</u> Four.

Authority: Sections 19420, 19440 and 19590,

Business and Professions Code.

Reference: Se

Section 19590,

Business and Professions Code.

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# STAFF ANALYSIS PROPOSED ADDITION OF ARTICLE 10.5. MULE RACING AND RULE 1747. MULE RACING RULES AND RULE 1748. SHOEING MULES

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#### **BACKGROUND**

Business and Professions (B&P) Code Section 19440 provides that the Board shall have all powers necessary and proper for it to carry out the purposes of Chapter 4, B&P Code. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19703 states 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 The American Mule Racing Association (AMRA), which is the pari-mutuel system. recognized breed registry organization for mules, recently amended its Professional AMRA Racing Rules. Among its recommendations is a rule that allows mules to race without shoes. This is contrary to Board Rule 1853, Examination Required, which states that no horse shall be eligible to start in a race if it is found to be improperly shod. In addition, Rule 1402, Controlling Authority, states the rules of the Board supersede the conditions of a race meeting and govern mule racing. In April 2007 the AMRA requested an exemption to Rule 1853 so unshod mules could run in California. The AMRA stated shoeing mules was very difficult, and usually required that the mule be tranquilized. This was problematic; as if a mule needed shoeing immediately before a race the owner/trainer would face the possibility of a drug positive. The AMRA also claimed mules prefer to run "barefoot." The waiver was discussed at the April 2007 Regular Board Meeting. The AMRA representative stated on a case-by-case basis mules were currently excused from wearing shoes, but that had caused difficulties because the history of the practice was not always passed on to new stewards or horseshoe inspectors, and AMRA representatives often had to intervene when problems occurred. At the April 2007 Regular Board Meeting staff proposed the addition of Article 10.5, Mule Racing, Rule 1747, Mule Racing Rules and Rule 1748, Shoeing Mules. The Board directed staff to notice the proposed addition of Article 10.5, Rule 1747 and Rule 1748 for a 45-day public comment period. Staff was also directed to determine if Rule 1853 could be interpreted to allow mules to run unshod; thus eliminating the need for a waiver or a regulation. The Deputy Attorney General subsequently determined that Rule 1853 was applicable to mule racing, and as currently written did not easily suggest or necessarily support a conclusion that "no shoes" would equate to "properly shod."

At the May 2007 Regular Board Meeting a temporary waiver of Rule 1853 for mules was granted the AMRA until such time as an amendment or an addition to the Board's rules could be enacted.

#### **ANALYSIS**

The Board currently promulgates Articles and regulations that are unique to harness and quarter horse racing; however, there are no regulations that address conditions specific to mule racing. While mule races may be run according to AMRA rules, those rules are superseded by the Board's regulations. The proposed addition of Article 10.5, Mule Racing, will add an Article to the Board's rules and regulations that exclusively addresses mules. The proposed addition of Rule 1747, Mule Racing Rules, will make it clear that mule races must still adhere to the Board's regulations, in general, but if there were a condition unique to mules, it would be placed under Article 10.5. The proposed addition of Rule 1748, Shoeing Mules, will allow mules to run unshod. If a mule does run "barefoot" it must be printed in the racing program, or announced over the public address system prior to the race in which such mule runs.

#### RECOMMENDATION

No comments were received during the 45-day public comment period. Staff recommends the Board adopt Article 10.5 and Rule 1747 and Rule 1748 as presented.

## CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 10.5. MULE RACING PROPOSED ADDITION OF RULE 1747. MULE RACING RULES.

#### Regular Board Meeting July 19, 2007

#### 1747. Mule Racing Rules.

The mule racing rules in this article shall apply to mule races in addition to other rules in this division.

Authority: Sections 19440 and 19703,

Business and Professions Code.

Reference: Sections 19440 and 19703,

Business and Professions Code.

## CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 10.5. MULE RACING PROPOSED ADDITION OF RULE 1748. SHOEING MULES

Regular Board Meeting July 19, 2007

1748. Shoeing Mules.

A mule that is not shod is eligible to start in a race provided the mule's "barefoot" participation in such race is printed in the racing program or announced over the public address system prior to the start of the race in which the mule participates.

Authority: Sections 19420 and 19703,

Business and Professions Code.

Reference: Section 19703,

Business and Professions Code.

# STAFF ANALYSIS PROPOSED AMENDMENT OF RULE 1849. NERVING AND PROPOSED REPEAL OF RULE 1851. LIST OF NERVED HORSES RULE 1850, POSTERIOR DIGITAL NEURECTOMY

Regular Board Meeting July 19, 2007

#### **BACKGROUND**

Business and Professions (B&P) Code Section 19440 provides that 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 adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19580 states the Board shall adopt regulations to establish policies, guidelines, and penalties relating to equine medication to preserve and enhance the integrity of horse racing in California. Rule 1849, Nerving, states nerved horses may not be brought on the grounds of a racing association, nor entered in a race, or sold or offered for sale, except as provided under Article 15. Rule 1850, Posterior Digital Neurectomy, allows a horse that has been nerved or heel nerved to race provided the official veterinarian is satisfied the loss of sensation to the horse due to the posterior digital neurectomy will not endanger the safety of any horse or rider. Rule 1851, List of Nerved Horses, requires the racing secretary to maintain a list of nerved horses that are on the grounds of the association, and to make the list available for inspection by licensees participating in the meeting. Heal nerving was discussed at the March 2007 Medication Committee meeting. The Medication Committee determined it would recommend the amendment of Rule 1849 and the repeal Rule 1850 and Rule 1851. At the March 2007 Regular Board Meeting staff was directed to initiate a 45-day public comment period regarding the proposed amendment of Rule 1849 and the repeal of Rule 1850 and Rule 1851.

#### **ANALYSIS**

The proposed amendment of Rule 1849 would ban "nerved" horses from the grounds of the racing association; from entry in a race; or from being sold or offered for sale on the grounds of a facility under the jurisdiction of the Board. It would also render Rules 1850 and 1851 superfluous and necessitate their repeal. A posterior digital neurectomy, commonly known as "nerving" or "heel nerving," is a procedure where the posterior digital nerves of a horse's hoof are transected with a scalpel, laser or other means to desensitize the posterior portion of the foot. In racehorses the procedure is primarily used for wing fractures of the coffin bone, navicular disease and other chronic conditions of the foot. A horse that has undergone a posterior digital neurectomy can feel its foot; it just cannot feel the heel of its foot. If the horse puts pressure on its foot it can feel where it is, or where it is running, and so it does not

cause the horse to lose stability. However, the procedure is not common among California racehorses due to improved diagnostics, medications and therapeutic shoeing. A recent informal survey of the Santa Anita race meeting revealed only two horses on the list of nerved horses (This list is a requirement of Rule 1851). Because the therapeutic value of posterior digital neurectomy is not vital to horse racing, and so few horses currently racing have undergone the procedure, the Board has determined that heel nerved horses should no longer be allowed to run in California.

A survey of several racing jurisdictions revealed that out of seven racing states, only Arizona prohibited nerved horses from running. States that allow nerved horses to run include: New York; Illinois; Indiana; Ohio; Kentucky and Texas.

During the 45-day public comment period staff received comment from Dr. Rick Arthur, CHRB Equine Medical Director. Dr. Arthur stated he was opposed to the proposed amendment of Rule 1849, and the repeal of Rule 1850 and Rule 1851. He said there was no veterinary medical or safety justification for the proposed action. Dr. Arthur also expressed concern with the ability to regulate a prohibition of nerved horses, as rules without enforcement schemes were nonsensical. Dr. Arthur commented that the principle behind Rule 1850 and Rule 1851 was full disclosure. Allowing nerved horses to run with the consent of the official veterinarian removes the incentive for owners and trainers to hide the true condition of a horse.

Dr. Dennis Meagher, professor emeritus of equine surgery at University of California Davis, and former CHRB Equine Medical Director, has also stated his opposition to the proposed regulatory action.

#### RECOMMENDATION

This item is presented for discussion and action by the Board.

#### CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 15. VETERINARY PRACTICES PROPOSED AMENDMENT OF RULE 1849. NERVING.

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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.

**Authority**:

Sections 19420, 19440 and 19580,

Business and Professions Code.

Reference:

Section 19580,

Business and Profession Code.

## CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 15. VETERINARY PRACTICES PROPOSED REPEAL OF RULE 1850. POSTERIOR DIGITAL NEURECTOMY

Regular Board Meeting July 19, 2007

1850. Posterior Digital Neurectomy.

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, not subject to the prohibitions in this article pertaining to nerving, provided that 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, that the prior approval of the official veterinarian has been obtained if the horse is on the grounds of a racing association, that the racing secretary is notified of such nerving at the time such horse is admitted to the grounds of a racing association and its registration or eligibility certificate marked to indicate such nerving.

#### CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 15. VETERINARY PRACTICES PROPOSED REPEAL OF RULE 1851. LIST OF NERVED HORSES

Regular Board Meeting July 19, 2007

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.

## STAFF ANALYSIS DISCUSSION ON THE FEASIBILITY OF AMENDING RULE 1685. EQUIPMENT REQUIRED TO ALLOW ALTERNATE TYPES OF WHIPS

Regular Board Meeting July 19, 2007

#### BACKGROUND

Business and Professions (B&P) Code Section 19420 provides that the Board shall have jurisdiction and supervision over meetings in California 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. B&P Code Section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of Chapter 4, B&P Code. Responsibilities of the Board shall include, but not be limited to, adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19481 provides that in performing its responsibilities, the Board shall establish safety standards governing equipment for horse and rider.

Board Rule 1685, Equipment Required, sets the weight; type of "popper;" and length of whips authorized for use by jockeys. Jockeys have recently indicated that an alternate, "kinder," whip is available. If the Board determines it wishes to allow the use of alternate types of whips, it would necessitate the amendment of Rule 1685.

#### RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 8. RUNNING THE RACE PROPOSED AMENDMENT OF RULE 1685. EOUIPMENT REOUIRED

> Regular Board Meeting July 19, 2007

1685. Equipment Requirement.

No bridle shall weigh more than two (2) pounds, nor shall any whip weigh more than one-half (1/2) pound. No whip shall be used unless it has affixed to the end a looped "popper" made of leather or other material approved by the stewards, not less than one and one-quarter (1 1/4) inches in width, and not over three (3) inches in length, and be "feathered" above the "popper" with not less than three (3) rows of "feathers" made of leather or other material approved by the stewards, each feather not less than one (1) inch in length. No whip shall exceed thirty-one (31) inches in length. All whips are subject to inspection and approval by the stewards.

Authority:

Sections 19420 and 19440,

Business and Professions Code.

Reference:

Sections 19441.2 and 19481,

Business and Professions Code.

## STAFF ANALYSIS REPORT BY THOROUGHBRED OWNERS OF CALIFORNIA REGARDING STATUS OF RETIREMENT FARMS FOR HORSES THAT HAVE RETIRED FROM RACING

Regular Board Meeting July 19, 2007

#### **BACKGROUND**

A discussion regarding the status of racehorse retirement farms was held at the April 2007 Regular Board Meeting. The Board heard a presentation by Grace Belcuore of California Equine Retirement Foundation, Inc., as well as testimony from the industry at large. The consensus was that retired racehorses could be rehabilitated and used in a number of capacities, and that owners needed to become more involved. Additionally, a dedicated source of income was needed to finance and expand current voluntary efforts by concerned individuals and institutions. Representatives of Thoroughbred Owners of California (TOC) stated TOC had formed an Equine Retirement Committee to explore alternative sources of income for racehorse retirement. The issue was discussed again at the May 2007 Regular Board Meeting. TOC representatives presented a proposal to form a TOC managed California Retirement Management Account (CARMA) for retired thoroughbred horses. At the same time, the Board examined separate "Draft A" and "Draft B" proposals for an amendment to Rule 1467, Paymaster of Purses. It was determined that TOC would return to the Board with a more detailed proposal.

#### **ANALYSIS**

TOC has proposed to amend Board Rule 1467. The proposed amendment would direct the paymaster of purses to deduct 0.3 percent of the net purse earned by any thoroughbred horse at a thoroughbred racing association or fair meeting, which would be deposited into the California Retirement Management Account (CARMA). The CARMA, which is to be established by the TOC, is a charitable trust fund for the benefit of California Thoroughbred retirement/rehabilitation facilities. The proposed amendment defines "net purse earned" and provides a mechanism through which an owner may opt-out of the 0.3 percent contribution to In addition, the amendment to Rule 1467 states the CARMA funds shall be distributed to qualified retirement/rehabilitation facilities as determined by the horsemen's organization. The TOC version of the proposed amendment (see Draft "A") would leave the decision regarding what is a "qualified" retirement/rehabilitation facility to the horseman's organization. The criteria for such organizations require that they must be not for profit, and exempt from federal or state income taxes. The Board's version ("B") of the proposed amendment requires that the Board also must approve such facilities. corresponds with criteria for organizations designated to receive charity race day proceeds under Board Rule 2047, Requests for Approval of Charity Fund Distribution. In the case of charity race day proceeds, B&P Code Section 19556, Subsection (4), provides that the Board shall approve beneficiaries. The proposed amendment states the horsemen's organization must submit to the Board an annual audited financial statement regarding the CARMA within 90 days of the close of the horsemen's organization's fiscal year. This corresponds with Rule 2048, Horsemen's Organization Welfare Fund, which requires the horsemen's organization that maintains a welfare fund to submit a financial report within 90 days after the close of its fiscal year.

#### RECOMMENDATION

Two texts for the proposed amendment to Rule 1467 have been provided. Draft "A" is the text submitted by TOC. Draft "B" is a modified version of the TOC text.

This item is presented for Board discussion and action.

#### CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 3. RACING ASSOCIATION PROPOSED AMENDMENT OF RULE 1467. PAYMASTER OF PURSES

#### Regular Board Meeting July 19, 2007

#### 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. For purposes of this section "purse earned" means all amounts earned except in stakes races in which case "purse earned" means all amounts earned less any nomination, entry or starter fees paid by the owner. 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) 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.
- (c) 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.
- (d) 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 deposit into the California Retirement Management Account ("CARMA"), a charitable trust fund maintained by the horsemen's organization representing Thoroughbred horse owners (horsemen's 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. For purposes of this Subsection "net purse earned" means all amounts earned except in stakes races in which case "net purse earned" means all amounts earned less any nomination, entry or starter fees paid by the owner.

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

(2) The horsemen's organization shall distribute CARMA funds on an annual basis to qualified retirement/rehabilitation facilities, as determined by the organization. Such qualified retirement/rehabilitation facilities shall be:

- (a) A nonprofit corporation or organization.
- (b) Exempt or entitled to an exemption from federal or state income taxes.
- (3) The horsemen's organization shall file with the Board within 90 days of the close of its fiscal year an audited financial statement of the CARMA.

Authority:

Sections 19420 and 19440,

Business and Professions Code.

Reference:

Sections 19433 and 19434,

Business and Professions Code.

# CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 3. RACING ASSOCIATION PROPOSED AMENDMENT OF RULE 1467. PAYMASTER OF PURSES

# Regular Board Meeting July 19, 2007

#### 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.
- owner's trainer, 10% percent of the purse earned on any horse that finishes first, second or third at thoroughbred race meetings. For purposes of this section "purse earned" means all amounts earned except in stakes races in which case "purse earned" means all amounts earned less any nomination, entry or starter fees paid by the owner. 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) 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.
- (c) 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.
- (d) 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 deposit into the California Retirement Management Account ("CARMA"), a charitable trust fund maintained by the horsemen's organization representing Thoroughbred horse owners (horsemen's 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. For purposes of this Subsection "net purse earned" means all amounts earned except in stakes races in which case "net purse earned" means all amounts earned less any nomination, entry or starter fees paid by the owner.

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DRAFT B

(1) Thoroughbred horse owners may elect not to have the 0.3 percent deducted from

their account by filing with the paymaster of purses at each racing association at which the

owners wish it to be in effect, a form CHRB- (New ), Notification of Exclusion of

CARMA Contribution, which is hereby incorporated by reference. The form CHRB-

(New ) is available at the office of the paymaster of purses at any race meeting.

(2) The horsemen's organization shall distribute CARMA funds on an annual basis to

qualified retirement/rehabilitation facilities, as determined by the organization. Such qualified

retirement/rehabilitation facilities 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 horsemen's organization shall file with the Board within 90 days of the close of

its fiscal year an audited financial statement of the CARMA.

Authority:

Sections 19420 and 19440.

Business and Professions Code.

Reference:

Sections 19433 and 19434,

Business and Professions Code.

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# STAFF ANALYSIS PROPOSED AMENDMENT OF RULE 1690.1. TOE GRABS PROHIBITED

# Regular Board Meeting July 19, 2007

#### **BACKGROUND**

Business and Professions (B&P) Code Section 19420 provides that jurisdiction and supervision over meetings in California 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 (Board). B&P Code Section 19562 states the Board may prescribe rules, regulations and conditions under which all horse races with wagering on their results shall be conducted in California. In 1996 The California Veterinary Diagnostic Laboratory System (CVDLS) at the University of California, Davis, concluded a three-year study of shoeing and catastrophic injury in racehorses. The study compared the shoes of injured horses to those of uninjured horses to identify types of shoes associated with increased risk of injury. The toe grab was the type of traction device found on 90% of the injured horses and 80% of uninjured horses while rim shoes were found on 12% of injured horses and 30% of uninjured horses. The conclusion was that there appeared to be an association between toe grabs and increased risk of catastrophic injury in thoroughbred racehorses. The higher the toe grabs - the greater the risk. The three-year study of shoeing and catastrophic injury released in 1996 was not considered conclusive, so a second study was initiated in late 1999. The study was not complete when the Board heard the issue of toe grabs at its January 2000 Regular Board Meeting. The result of the discussion was a third CVDLS study that would record the type of shoes worn during competition of all thoroughbred racehorses in California for the year 2000. The information would be correlated with injuries sustained to determine patterns related to shoe type. In addition, the CVDLS would collect data from foreign jurisdictions that race on dirt without toe grabs. Subsequent to its initiation, the study was extended for a second year, to be completed in the spring of 2002.

In February 2006 the Board added Rule 1690.1, Toe Grabs Prohibited, which prohibited the use of toe grabs over four millimeters in height on the front shoes of thoroughbreds while racing. However, the implementation of the regulation was delayed. At the February 2007 Regular Board Meeting the Board determined it would enforce the regulation, and that quarter horses should be added to the provisions of Rule 1690.1.

The Board heard the proposal to amend Rule 1690.1 at its June 2007 Regular Meeting. After receiving testimony from interested parties the hearing was deferred until additional comment could be received from the quarter horse industry. In July 2007 the Pacific Coast Quarter Horse Racing Association requested the proposed amendment to Rule 1690.1 be deferred for up to six months to allow for a completion of a study relative to the use of toe grabs greater than four millimeters on the front shoes of quarter horses while racing.

#### RECOMMENDATION

This item is presented for Board discussion and action.

# CALIFORNIA HORSE RACING BOARD TITLE 4. CALIFORNIA CODE OF REGULATIONS ARTICLE 8. RUNNING THE RACE RULE 1690.1. TOE GRABS PROHIBITED

# Regular Board Meeting July 19, 2007

## 1690.1. Toe Grabs Prohibited.

(a) Toe grabs with a height greater than four millimeters worn on the front shoes of thoroughbred horses and quarter horses while racing are prohibited.

Authority:

Sections 19420 and 19562,

Business and Professions Code.

Reference:

Section 19481,

Business and Professions Code.

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#### **STAFF ANALYSIS**

# REQUEST FOR APPROVAL OF CHARITY DISTRIBUTION

REGULAR BOARD MEETING JULY 19, 2007

# Background:

The Los Angeles Turf Club is requesting that the Board approve its proposed distribution of charity race day proceeds in the amount of \$252,873. The list of 46 beneficiaries is attached for your review. The distribution will give more than 73% to industry-related organizations. Staff finds this request to be in order.

#### Recommendation:

Staff recommends that the Board approve this request.



Frank De Marco, Jr., Esq. Vice President, Regulatory Affairs and Assistant Secretary

July 6, 2007

California Horse Racing Board 1010 Hurley Way, Suite 300 Sacramento, California 95825

Re: Los Angeles Turf Club, Incorporated's Charity Days

Gentlemen:

Los Angeles Turf Club, Incorporated, doing business as "Santa Anita Park," has determined the beneficiaries of proceeds from "Charity Days" races conducted at Santa Anita Park during its 2006-2007 winter meet. The net proceeds from the "Charity Days" totaled \$252,873.00. Attached hereto is the list of the organizations selected to be the beneficiaries of the Charity Days proceeds and the amount to be distributed to each. Distributions will be made upon approval of the proposed amounts by the California Horse Racing Board.

Please note that approximately 73% of the distributions are to horse related charities.

Should you have any questions regarding the distributions or the matters set forth herein, please do not hesitate to contact the undersigned.

Very truly yours,

Frank De Marco, Jr.

FDM:mr

**Enclosure** 

# Los Angeles Turf Club, Incorporated Distribution of Charity Day Proceeds 2006-2007 Meet

I.	Horse Related Charities – BP 19556(b) (20% minimum)	<u>Amounts</u>	<u>Subtotals</u>
	California Equine Retirement Foundation, Inc.	\$ 1,000	
	California Thoroughbred Foundation	1,000	
	California Thoroughbred Horsemen's Foundation	20,000	
	California Council on Problem Gambling	5,000	
	Edwin Gregson Foundation	27,000	
	Holy Angels Church (Backside Permanent Deacon)	10,000	<i>A</i>
	Race for Education	1,000	•
	Racetrack Chaplaincy of America (Southern California Council)	10,000	
	Racetrack Chaplaincy of America (San Luis Rey Downs Council)	5,000	
	Southern California Equine Foundation, Inc.	1,000	
	Tranquility Farm	1,000	
	United Pegasus Foundation	1,000	
	Winners Foundation	25,000	\$108,000
II.	Welfare Fund for Backside Personnel – BP 19641(b) (5%)		
	California Thoroughbred Horsemen's Foundation	12,643	12,643
III.	Fund for Substance or Alcohol Abuse – BP 19556(b) (5%)		
	Winners Foundation	12,643	12,643

# **STAFF ANALYSIS**STAFF MID-YEAR REPORT ON RACE MEET RESULTS

# REGULAR BOARD MEETING JULY 19, 2007

#### Background:

This item contains mid-year reports for the recently concluded and in progress race meets. Staff is prepared to answer questions regarding the information presented.

#### Recommendation:

These items are for information and discussion.

#### MID-YEAR MEET REPORT SUMMARY

For the California Horse Racing Board meeting July 19, 2007. The report includes a summary on handle for the following race meets:

#### Concluded race meets:

- A. **Pacific Racing Association** at Golden Gate Fields from December 26, 2006 through February 11, 2007.
- B. Los Angeles Turf Club at Santa Anita from December 26, 2006 through April 22, 2007.
- C. Bay Meadows Racing Association at Bay Meadows from February 14, 2007 through April 22, 2007.
- D. Pacific Racing Association at Golden Gate Fields from April 25, 2007 through June 10, 2007.
- E. **San Joaquin County Fair** at Stockton from June 14, 2007 through June 24, 2007.

In progress race meets through June 30, 2007:

- A. Sacramento Harness Association at Cal Expo from December 28, 2006 through July 28, 2007.
- B. Los Alamitos Quarter Horse Racing Association at Los Alamitos from December 28, 2006 through December 28, 2007.
- C. Hollywood Park Racing Association at Hollywood Park from April 25, 2007 through July 15, 2007.
- D. Alameda County Fair at Pleasanton from June 27, 2007 through July 8, 2007.

#### MID-YEAR REPORT 2006 vs 2007

## December 26, 2005-June 30, 2006 vs December 26, 2006-June 30, 2007

	2006		<del>-</del>	2007				
	Race Days	Total Live	Avg Daily	Race Days	Total Live	Avg Daily		%
Meet	to Date	Handle	Live Handle	to Date	Handle	Live Handle	Difference	Change
Bay Meadows 1	59	163,445,298	2,770,259	48	127,907,108	2,664,731	(105,528)	-3.81%
Golden Gate 2	71	181,535,111	2,556,833	66	194,933,693	2,953,541	396,708	15.52%
Santa Anita-LATC	86	780,795,485	9,079,017	85	827,511,198	9,735,426	656,409	7.23%
Hollywood Park-Spring	49	378,312,326	7,720,660	51	446,683,044	8,758,491	1,037,831	13.44%
Los Alamitos	117	127,812,393	1,092,414	105	140,090,535	1,334,196	241,782	22.13%
Harness	116	77,990,330	672,330	136	83,019,504	610,438	(61,893)	-9.21%
San Joaquin Fair	10	10,959,014	1,095,901	9	11,558,385	1,284,265		17.19%
Alameda Fair	3	4,940,719	1,646,906	4	8,161,179	2,040,295	393,388	23.89%
Total To Date	511	1,725,790,676	3,377,281	504	1,839,864,646	3,650,525	273,244	8.09%

- 1.BM 2006 included race meets 12/26/05-2/5/06 & 5/10/06-6/18/06. BM 2007 includes race meet 2/14/07-4/22/07
- 2.GGF 2006 includes race meet 2/8/06-5/7/06. GGF 2007 included race meets 12/26/06-2/11/07 & 4/25/07-6/10/07

#### \*\*\*Race meets in progress\*\*\*

