

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

NOTICE OF PARI-MUTUEL OPERATIONS COMMITTEE MEETING

Notice is hereby given that a meeting of the **California Horse Racing Board's Pari-Mutuel Operations Committee** will be held on **Wednesday, November 30, 2005**, commencing at **1:30 p.m.**, at the **Hollywood Park Race Course, Turf Club Board Room, 1050 S. Prairie Avenue**, California. Non-committee members attending the Board's committee meeting may participate in the public discussion, but shall not participate in any official committee vote or committee executive session.

AGENDA

1. Update on the discussion regarding **rebates to patrons based on amounts wagered or using net pool pricing to achieve targeted payouts, and other related topics.**
2. Update on the discussion regarding the **development of wagers for novice bettors such as the head-to-head wager and other wagering concepts for the new player.**
3. Update on the discussion regarding the **scratching of an entire entry for pari-mutuel purposes if part of the entry is scratched after the wagering pool is opened.**
4. Update on the discussion regarding **establishing Advance Deposit Wagering centers at restaurants, card clubs, and other popular locations.**
5. **Other items of pari-mutuel interest that maybe presented to the Committee for discussion.**

Further information regarding the committee meeting may be obtained from John Reagan, Senior Management Auditor, at the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, California, 95825; telephone (916) 263-6000 or fax (916) 263-6042. A copy of this notice can be located on the CHRB website at www.chrb.ca.gov

PARI-MUTUEL OPERATIONS COMMITTEE

Commissioner Jerry Moss, Chairman

Date of Notice: November 18, 2005

STAFF ANALYSIS
UPDATE ON DISCUSSION REGARDING REBATES
PARI-MUTUEL OPERATIONS COMMITTEE MEETING
NOVEMBER 30, 2005

Background:

Current Board policy is that rebates are not allowed. CHRB Rule 1950.1 requires associations to have a prohibition against rebates in their simulcast contracts. However, at previous Pari-mutuel Operations Committee meetings, there have been discussions on how to reward players with targeted payouts using net pool pricing rather than rebates. This item is to continue the discussion and see what progress has been made on this issue.

Recommendation:

Staff recommends that the Committee hear from interested parties regarding this matter.

STAFF ANALYSIS
UPDATE ON DISCUSSION REGARDING POOLS FOR NEW PLAYERS
PARI-MUTUEL OPERATIONS COMMITTEE MEETING
NOVEMBER 30, 2005

Background:

At the previous Pari-mutuel Operations Committee meeting, the head-to-head wager was discussed as a possible wager of interest for new players. However, it was suggested that there might be better wagers for the novice player that would be more fun and have better payouts.

This item is to see what progress has been made in finding pools that would be appropriate for new players.

Recommendation:

Staff recommends that the Committee hear from interested parties regarding this matter.

STAFF ANALYSIS
DISCUSSION REGARDING SCRATCHES IN AN ENTRY
PARI-MUTUEL OPERATIONS COMMITTEE MEETING
NOVEMBER 30, 2005

Background:

Current practice in California is that when one part of an entry is scratched the remaining part of the entry continues as a viable wagering interest. At the previous meeting of this Committee, there was a discussion regarding the possibility of requiring the entire entry to be scratched for pari-mutuel purposes if any part of the entry is scratched but allow the remaining part of the entry to run for the purse.

The thinking was that further research and discussion would be required before proceeding further. This item is to see how far the discussion has come since the last meeting.

Recommendation:

Staff recommends that the Committee hear from interested parties regarding this matter.

STAFF ANALYSIS
UPDATE REGARDING THE EXPANSION OF ADW
PARI-MUTUEL OPERATIONS COMMITTEE MEETING
NOVEMBER 30, 2005

Background:

Since 2002 Advance Deposit Wagering (ADW) has been legal in California. Currently three providers are allowed to accept wagers on horse racing from California residents. They are allowed to provide this service via "telephone call or through other electronic media". At the last Committee meeting Magna representatives championed the concept of opening up ADW by allowing ADW wagering opportunities in a variety of high-traffic venues. This item is for further discussion of that concept.

Recommendation:

Staff recommends that the Committee hear from interested parties regarding this matter.

CALIFORNIA HORSE RACING BOARD

NOVEMBER 30, 2005

PARI-MUTUAL OPERATIONS COMMITTEE
MEETING

There is no committee package material for item 5