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CALIFORNIA HORSE RACING BOARD



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CHRB NEWS RELEASE

JULY 25, 2009

REVIEW OF CHRB ACTIONS AND DISCUSSIONS 7-22-09

(Corrected release with Fairplex dates September 10 through September 28.)

DEL MAR, CA – The California Horse Racing Board conducted its regular meeting Thursday, July 22, at the Del Mar simulcast facility. Chairman John Harris presided. Vice Chairman David Israel and Commissioners John Andreini, Jesse Choper, Bo Derek, and Jerry Moss were in attendance. During the meeting:

- The Board voted to continue the longstanding, worldwide practice of assigning three stewards to all race meets. Under state law, any association conducting a race meet must pay the salaries of the stewards, official veterinarian, and other costs for that race meet. The racing commissioners indicated that if revenues are falling short of this requirement at the night quarter-horse and harness meets and at the Ferndale Fair, a solution must be found other than reducing the number of stewards at those meets.

In another development involving stewards, during closed session, the commissioners discussed potential litigation involving assignment of stewards. When the public portion of the Board meeting resumed, Chairman John Harris announced that the full Board was satisfied with the process of appointing stewards and with current assignments. Additionally, Chairman Harris said that under the authority granted to the chairman under Rule 1761 (Appeal from Decision of Stewards), he was dismissing appeals filed by trainers pertaining to the assignment of stewards based on his determination that the appeals were not applicable to Rule 1761.

- The Board approved an application for the Sycuan Casino to again offer simulcast wagering at the facility in El Cajon, bringing the number of wagering outlets throughout California to 35, including the recently opened mini-satellite at the Commerce Casino. The Sycuan Casino simulcast wagering facility first opened in 1990 but closed for renovations in 2005. The new space allocated for simulcast wagering offers seating and tables for nearly 100 guests with additional seating in the adjacent poker room.

The Board considered two other applications for new mini-satellite wagering facilities – both located in San Francisco – but delayed action after hearing objections from the San Mateo County Fair indicating the proposed mini-satellites are located too close to their own wagering facility at the San Mateo Event Center. Several racing commissioners voiced support for wagering at Pete's Tavern and Sotto Mare Oysteria, but Portor Goltz, a deputy county counsel representing the Events Center, cited a "20-mile radius" restriction in the law allowing the CHRB to approve as many as 45 mini-satellite wagering facilities in California. Following a discussion of the "radius" language in the law, the racing commissioners indicated they would either wait for the language of the mini-satellite law to be amended or consider authorizing wagering at those establishments under a different law.

- The Board received a report from staff and a representative of the Thoroughbred Racing Protective Bureau indicating there have been no confirmed cases in California horse racing of anyone placing

and cashing a wager made after the start of a race – based on numerous reviews of detailed transaction reports and other documentation provided by totalizator companies, racing associations, and other wagering outlets. Improvements in the process have led to a more rapid display of odds changes as significant wagers are placed just before the start of the race, and the Board receives fewer complaints from the public about late odds changes, but there was general agreement that additional improvements are necessary to help boost public confidence in the integrity of the wagering system. A report from Scientific Games, the totalizator company that processes wagers in California, indicated that odds on winners increase about as often as they go down in the final two odds cycles. The Board instructed staff to better inform the wagering public of the steps being taken to safeguard their interests, and Vice Chairman Israel asked staff to work with TRPB Wagering Analyst J. Curtis Linnell to compile a report on the results and conclusions of experiments conducted in other jurisdictions that ended betting upon commencement of loading the starting gate.

- The Board approved license applications for five race meets, some of those approvals contingent on the anticipated completion of licensing requirements and settlement of issues involving insurance, leases, and ADW contracts. The five meets are the California Authority of Racing Fairs (CARF) at Golden Gate Fields (August 12 - 23), Humboldt County Fair at Ferndale (August 14 – 23), CARF at Golden Gate Fields (September 9 - October 5), California Exposition and State Fair at Cal Expo (August 26 - September 7), and Los Angeles County Fair at Fairplex (September 10 - 28).
- Commissioner Derek, who represents the CHRB on the California Jockeys' Welfare Corporation Board of Directors, reported that the fund mandated by statute for health and welfare benefits for California riders is operating with a \$1 million cash reserve, and the jockeys have expressed support for the current levels of service and coverage.
- The Board led a brief discussion of the racing calendars for 2010 and beyond. Chairman Harris stated that the assignment of racing dates for 2010 needed to be done in the next few months, and he urged all parties to work diligently on proposals that can maximize California's racing potential.
- Representatives of the California Horsemen's Safety Alliance and the Jockeys' Guild advised the Board of new standards they are recommending for safety vests and safety helmets based on extensive impact testing of this equipment. Chairman Harris said he would name a new committee to work with the CHSA and Guild on this matter.
- Deputy Attorney General Deborah Fletcher reported that biannual air quality sampling tests at the Surfside Race Place – the very room in which the Board meeting was taking place – indicate that indoor mold levels are well within normal background levels and do not pose a risk to employees and patrons in the facility.
- The Board approved Robert Bean, Ken Smole, David Natfzger, George Nicholaw, and Lynda Ross for two-year terms as board members for the California Thoroughbred Horsemen's Foundation, which administers the horsemen's welfare fund for the benefit of California horsemen.

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