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CHRB NEWS RELEASE

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APPLICATIONS AVAILABLE FOR MINISATELLITES

SACRAMENTO, CA – Applications are available from the California Horse Racing Board for the opening of new “minisatellite” wagering facilities throughout the state, meaning that some sports bars, card clubs, and other businesses could begin accepting wagers on horse races later this year.

The Board adopted a regulation in December allowing for up to 45 new wagering locations throughout the state. The Office of Administrative Law gave its approval March 5, and the regulation should go into effect April 4.

“I’m pleased that the program is nearly ready to go,” said CHRB Chairman John Harris. “We need to expand racing’s reach any way we can, and this concept should help. Racing is the only sport that one can bet on legally in California, and racing’s market needs help. Although anyone with a wagering account and access to the Internet already can wager from home or anywhere in the state, creating new, more accessible wagering locations should make the wagering experience more available by providing places where fans can gather with friends and make new ones. This should build enthusiasm for the sport.”

The regulation implements a state law (AB 241) passed and signed by the Governor last year, which allows for the expansion of wagering to 45 new locations, including existing businesses where customers frequently gather. Currently there are 34 locations in California authorized to accept wagers on horse racing. These are operated by racetracks, certain tribal casinos, district agricultural associations, and fairs – in some cases on leased properties. But with the change, other entities not associated with horse racing, fairs, or tribal gaming may be authorized to operate new wagering facilities.

Applications can be obtained from the CHRB Policy and Regulations Unit in Sacramento. The Board must approve or deny an application within 90 days of receipt unless the applicant is granted more time to supply missing information. . The application must include information regarding the applicant, the applicant’s business structure, management, and staff, and the associations with which the applicant has reached agreement, along with information about operation of the facility.

Under the law, operators will retain 2 percent of the wagers handled at their facilities. The wagering area must be restricted to persons at least 21 years old. The CHRB must approve the site, wagering equipment, and technology used in transmitting the odds. Pari-mutuel clerks must be available to service the self-service tote machines and to cash wagering vouchers on a regularly scheduled basis.

No minisatellite can be located within 20 miles of an existing racetrack, simulcast facility, or tribal casino that has a satellite wagering facility without the consent of each existing wagering facility located within a 20-mile radius of the proposed minisatellite. (A map of the 34 wagering locations in California is available on the CHRB website [www.chrb.ca.gov] within the CHRB annual report under “Publications.”)

The law allows for the licensing of 15 minisatellites in each of the three racing zones dividing the state. The three racing zones in California are the southern zone, which consists of Imperial, Orange, Riverside, and San Diego Counties; the central zone, which consists of Kern, Los Angeles, San Bernardino, Santa Barbara, and Ventura Counties; and the northern zone, which consists of the remaining counties in the state.

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