

1010 Hurley Way, Suite 300
Sacramento, CA 95825
(916) 263-6000
Fax (916) 263-6042

www.chrb.ca.gov

CALIFORNIA HORSE RACING BOARD



Los Alamitos Race Course
4961 E. Katella Avenue
Los Alamitos, CA 90720

Contact: Mike Marten
(714) 820-2748
Cell: (714) 240-1870
Fax (714) 821-6232

CHRB NEWS RELEASE

NOVEMBER 17, 2012

SUMMARY OF CHRB ACTIONS AND DISCUSSIONS 11-15-12

INGLEWOOD, CA – The California Horse Racing Board conducted its regular meeting Thursday, November 15, at Hollywood Park. Chairman Keith Brackpool presided. Vice Chairman David Israel and Commissioners Steve Beneto, Jesse Choper, Richard Rosenberg, and Chuck Winner were in attendance.

The audio of this entire Board meeting is available on the CHRB Website (www.chrb.ca.gov) under the [Webcast](#) link. In brief:

- The Board took another step toward the possible introduction of exchange wagering in California by unanimously approving 25 rules for the regulation of exchange wagering, including rules covering license applications, operating plans, monitoring systems, and financial and security integrity audits of exchange wagering providers. Complete texts of all 25 rules can be found on the CHRB Website under the links Board/Meeting Packages/ November 2012/Item 10. The 25 rules must now go to the Office of Administrative Law for review, a process that could take 60 days. The rules will only go into effect if they are approved by OAL and sent to the Secretary of State for signature. Once the rules go into effect, exchange wagering can only begin after a California racetrack and the horsemen's organization at that racetrack reach an agreement with one or more exchange wagering companies and they bring that agreement/operating plan to the Board for final approval.
- After approving the exchange wagering rules, the Board approved provisional licenses for two companies – Betfair and Churchill Downs – to operate exchange wagering in California (subject to the agreement with racetracks and horsemen and final Board approval). Both provisional licenses are conditioned upon OAL approving the rules. And the Churchill Downs provisional license also requires them to agree to certain license fee requirements, as Betfair representatives agreed to at the meeting. These two and any other applicants are being required to provide hardware, software, and training for CHRB staff for the monitoring and regulation of exchange wagering. The vote for provisional licenses was 5-0 (Vice Chairman Israel abstained).
- The Board approved an amendment to the license application for the current harness meet at Cal Expo to run an additional day, Sunday, December 23. This allows for coordinated daytime racing programs of harness racing in Sacramento and quarter horse racing at Los Alamitos on Friday, Saturday, and Sunday, December 21-23. Those daytime dates became available when both Hollywood Park and Golden Gate Fields elected to conclude their live thoroughbred meets on Sunday, December 16. Both Hollywood Park and Golden Gate will conduct simulcast programs during their dark week.
- The Board approved one-year licenses for three Advance Deposit Wagering operators – TVG, TwinSpire, and XpressBet – to continue conducting ADW. The new licenses cover the year 2013.

- The Board authorized Hollywood Park Racing Association to distribute \$95,003 in race day charity proceeds to 17 beneficiaries.
- The Board heard brief comments from representatives of San Luis Rey Downs and the Southern California Stabling and Vanning Fund concerning the CHRB Auditing Unit's audit report of the Stabling and Vanning Fund. This matter involves litigation, so the racing commissioners reserved their comments for the closed session that followed the public meeting.
- Having previously allocated the 2013 dates for the Humboldt County Fair and Golden Gate Fields, which includes some overlap of the two meets, the Board took up the issue of host fee revenues associated with those meets. By a 4-2 vote (Commissioners Beneto and Rosenberg against), the Board ordered a compromise on related monetary issues.

#