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CHRB NEWS RELEASE

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**BOARD SEEKS TO CURTAIL ADVERTISING FOR  
ILLEGAL WAGERING SERVICES**

SACRAMENTO, CA – The California Horse Racing Board and media trade organizations are sending notices to every radio and television station and newspaper in California and to certain national publications and radio networks that carry advertising for wagering services, advising them of recent CHRB actions, reminding them of the relevant laws, and encouraging them not to carry advertising that promotes illegal activities.

Executive Director Roy Wood explained that as a regulatory agency of the State of California, the CHRB has an obligation to uphold laws and to stem the flow of illegal wagering dollars out of California. He said CHRB investigators are working with other state and federal law enforcement authorities in this effort.

“I want to thank the California Broadcasters Association and the California Newspaper Publishers Association for their cooperation,” said Wood. “These are two very respected trade organizations, and I hope their members take notice of the information being provided about running advertisements that promote illegal wagering activities.”

The California Broadcasters Association, which represents every radio and television station in the state, distributed notices to its members advising them, “Last week the California Horse Racing Board licensed two companies. You should only accept advertising for ODS Technologies (tvgnetwork.com) and XpressBet (xpressbet.com), a division of Magna Entertainment Corporation. All other forms of Internet and telephone gaming are still illegal! If you are running ads for sports betting, on-line gaming, or any other type of Internet or telephone gambling besides horse wagering for these two licensed entities, you are in violation of the law.”

Stan Statham, president and chief executive officer of the CBA, said, “It has been impossible over the past two years for broadcasters to keep up with the dynamic changes in gambling regulation. We have been continually frustrated in our efforts to get revised guidelines from state and federal agencies. The broadcasters welcome clear and concise advisory notices such as those offered by the California Horse Racing Board.”

The California Newspaper Publishers Association, which represents virtually all of the newspapers in the state, is including an item in this week's bulletin to publishers advising them of these efforts to curtail advertising for illegal wagering services and directing them to the CHRB for information.

The CHRB sent letters this week to publications and broadcasters that have run advertisements for wagering services other than TVG and XpressBet. The letters said in part, "California law prohibits bookmaking, pool-selling, holding, forwarding bets, recording bets, and making, offering, or accepting bets on the results of horse races and other contests of skill, speed, or endurance. Wagering on horse racing is permitted only when conducted by persons licensed by the California Horse Racing Board. We should also point out that Section 1084 (a) of the United States Code provides that 'whoever being engaged in the business of wagering knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers...shall be fined under this title or imprisoned not more than two years, or both.' Thus, advertisements for off-shore wagering services appear to promote violations of the federal law."

The CHRB letters concluded, "It is the intent of this letter to solicit your cooperation. While fully respecting the right of private businesses to manage their own affairs, the Board believes that it is in the interest of the horse-racing industry and the media to maintain both the fact and the appearance of full compliance with the laws that regulate wagering. The California Horse Racing Board, therefore, requests that you decline to carry advertising for any unlicensed betting operation that violates wagering laws, California statutes in particular."

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