

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

CALIFORNIA HORSE RACING BOARD

12235 Beach Blvd., Suite 7
Stanton, CA 90680
(714) 890-7001
Fax (714) 890-7006
Contact:
Mike Marten
(714) 890-7004
Pager: (714) 212-0325

CHRB NEWS RELEASE

JUNE 6, 2002

FAIRPLEX PROPOSAL TO BE DECIDED AT LATER MEETING

SAN MATEO, CA – The California Horse Racing Board agreed Thursday to conduct a meeting later this month in Pomona to further consider a proposal to move the Los Angeles County Fair (LACF) race meet from Fairplex to Santa Anita Park. This will give the racing commissioners more time to study the matter and receive input from fans and horsemen in Southern California before they make a final decision.

During a two-hour discussion at the regular monthly CHRB meeting Thursday at Bay Meadows, the seven commissioners heard testimony from representatives of LACF and Santa Anita about how running the 17-day LACF meet in Arcadia instead of Pomona would benefit California horse racing as a whole.

LACF President James Henwood said he expects on-track attendance and overall handle to increase due to the move. He cited the advantages of racing at a facility with a larger racing oval and a turf course. And Jack Liebau, president of Magna Entertainment California, which owns Santa Anita, said the move “will result in better racing for fans, horses, and jockeys.”

Commissioners also heard from racing associations and organizations opposed to the proposal for a variety of reasons, including the Oak Tree Racing Association, Del Mar, Hollywood Park, and the California Thoroughbred Trainers (CTT). Some of those speakers cited complex legal issues relating to the nature of the lease agreement between LACF and Santa Anita and whether the change of venue is permitted under the law.

“I am not opposed to the move,” said Commissioner Sheryl Granzella after hearing all of the testimony, “but I feel rushed.” Commissioner William Bianco said he felt the same way.

Commissioner John Harris spoke in favor of racing at fair sites such as the Los Angeles County Fairgrounds, noting, “There is a vitality there that you don’t see elsewhere.”

After a motion to deny the application for a change of venue failed on a 3-3 vote (with one abstention), Harris made a motion to hold another CHRB meeting as soon as possible to consider the matter in greater detail. “We should hold the meeting in Pomona in order to give the public a better opportunity to speak,” added Harris.

The commissioners voted unanimously to hold another Board meeting that will be devoted entirely to this matter. That meeting is expected to be scheduled for late June. LACF will have until 10 days after that meeting to submit its application for a race meet in either Pomona or Arcadia. The LACF meet will be run September 13-29 at one location or the other.

In other business, the Board began the process of adopting a regulation to prohibit the possession and/or use of Erythropoietin (EPO) and Darbepoietin on the premises of a facility under the jurisdiction of the Board.

EPO is a hormone produced by all animals. Darbepoietin is very closely related to EPO. Synthetic EPO was developed in human medicine for the treatment of anemia, particularly in patients undergoing chemotherapy and kidney dialysis. It is believed that this synthetic EPO has been used in an attempt to enhance performance in human athletes and racehorses. Studies show that the administration of EPO may be very detrimental to the horse because the horse's body may recognize it as a foreign substance and produce antibodies that could attack both the synthetic and natural EPO. When this occurs the horse no longer has the ability to produce mature red blood cells, which can end the horse's racing career.

There is no necessary veterinary medical use of EPO in the racehorse. The Board feels that by making the use and/or possession of EPO a prohibited veterinary practice, the Board will protect horses, jockeys, drivers, and the integrity of racing. This proposed regulation conforms to one endorsed by the Association of Racing Commissioners International.

CHRB Vice Chairman Roger Licht, who chairs the Pari-Mutuel Operations Committee, reported that Racing and Gaming Services (RGS), which is the largest offshore gaming service that contracts with California racetracks for simulcast wagering, has verified that it does not accept wagers from California residents. RGS executives said their service is blocking calls from California area codes and is requiring a non-California driver's license identification from applicants to prove they are not California residents. Licht said the Committee will ask other major services, which are not licensed by the Board to offer account wagering in the state, to cooperate in a similar manner by blocking California area codes and verifying that their players are not California residents.

Licht said the Committee has made it a high priority to insure that unlicensed services do not take bets from California residents, and he will recommend to the full Board that no association be allowed to send its signal to any betting service without an affirmation from that service that it has blocked all California area codes and has a non-California driver's license on file for each player.

In a related matter, RGS executives said the \$115,000 wager that was placed through their service on the winner of the first race at Hollywood Park on April 24 was not placed by a California resident. The CHRB has verified that the wager was properly placed before the start of the race.

The Board approved six license applications for race meets: The Solano County Fair in Vallejo from July 10 through July 21; the Sonoma County Fair in Santa Rosa from July 24 through August 5; the San Mateo County Fair at Bay Meadows from August 7 through August 19; the California Exposition and State Fair in Sacramento from August 21 through September 7; and the Del Mar Thoroughbred Club meet in Del Mar from July 24 through September 11.

The staff reported that the three approved operators of Advance Deposit Wagering (ADW) in California – XpressBet, TVG, and YouBet – collectively handled \$46.5 million from January 25 through May 26, which represented 5.3 percent of the \$877 million combined California on-track, off-track, and ADW handle during that period.

Chris Korby, executive director of the California Authority of Racing Fairs, said CARF has reached an agreement with YouBet to offer ADW on fair racing beginning with the Stockton meet on June 12, and negotiations are continuing with the other two ADW operators.

The Board approved a second ADW license for YouBet that allows YouBet to hire California pari-mutuel clerks to provide telephone-wagering assistance to customers from the company's Woodland Hills office.

The Board approved a contract with Truesdail Laboratories to provide primary drug testing services for the 2002-2003 fiscal year. Truesdail, which is the current primary laboratory, was rated highest among the responsive bidders for the new contract. The Board approved veterinarian and steward contracts for the 2002-2003 fiscal year.

The Board approved various changes to regulations relating to the Horsemen's Welfare Fund in order to improve services for workers in the industry.

#