

AMENDED IN ASSEMBLY SEPTEMBER 6, 2013

**SENATE BILL**

**No. 819**

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**Introduced by Committee on Governmental Organization (Senators Wright (Chair), Berryhill, Calderon, Cannella, Correa, De León, Galgiani, Hernandez, Lieu, Nielsen, and Padilla)**

March 14, 2013

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An act to amend Section 19605.74 of the Business and Professions Code, relating to horse racing, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 819, as amended, Committee on Governmental Organization. Horse racing: Breeders' Cup *World* Championship series: payment of purses.

Existing law, *the Horse Racing Law*, generally provides for the distribution of funds collected from wagers on horse racing in California. In years that the Breeders' Cup *World* Championship series is conducted at a race meeting in California, existing law requires that specified amounts that would have otherwise been distributed to a purse account be made available to promote and sponsor the Breeders' Cup. *A violation of the Horse Racing Law, where no other penalty is expressed, is a misdemeanor.*

This bill would instead specify that those amounts shall be made available to the organization operating the Breeders' Cup *World* Championship series for the purpose of promoting and supporting the Breeders' Cup, including the payment of purses in Breeders' Cup *World* Championship races. *The bill would provide that the California Horse Racing Board may authorize parimutuel wagering on Breeders' Cup races to be run at the host venue and on one nonthoroughbred race, as*

*specified, and would require amounts from those wagers to be deducted and distributed in accordance with specified provisions. Because a violation of the provisions of the bill would be a misdemeanor, the bill would impose a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

*This bill would declare that it is to take effect immediately as an urgency statute.*

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: ~~no~~-yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 19605.74 of the Business and Professions
- 2 Code is amended to read:
- 3 19605.74. For every year that the organization operating the
- 4 Breeders’ Cup *World* Championship series chooses to conduct the
- 5 Breeders’ Cup at a race meeting in California, the following,
- 6 notwithstanding any other law, shall apply to the race meeting
- 7 conducting the Breeders’ Cup races on days during which Breeders’
- 8 Cup races are conducted:
- 9 (a) The amounts that would have otherwise been distributed to
- 10 a purse account pursuant to subdivisions (a), (b), (c), and (d) of
- 11 Section 19601.02 shall be made available to the organization
- 12 operating the Breeders’ Cup *World* Championship series for the
- 13 purpose of promoting and supporting the Breeders’ Cup, including
- 14 the payment of purses in Breeders’ Cup *World* Championship
- 15 races.
- 16 (b) The thoroughbred racing association hosting the Breeders’
- 17 Cup shall enter into a written agreement, in consultation and
- 18 cooperation with the California Tourism Commission and the
- 19 statewide marketing organization formed pursuant to Section
- 20 19605.73, with the organization that operates the Breeders’ Cup
- 21 regarding the manner in which the funds set aside to support and
- 22 promote the Breeders’ Cup are to be expended.

1 (c) Within 90 days after the holding of each Breeders' Cup, a  
2 written report *that includes a parimutuel audit* shall be made to  
3 the board detailing the manner in which the set-aside funds were  
4 utilized to promote and support the Breeders' Cup, *including the*  
5 *payment of purses in Breeder's Cup races.*

6 (d) *Notwithstanding any other law, on days during which*  
7 *Breeders' Cup races are conducted in California, the board may*  
8 *authorize parimutuel wagering on Breeders' Cup races to be run*  
9 *at the host venue and on one nonthoroughbred race specified in*  
10 *the host venue's license application approved by the board.*  
11 *Amounts deducted and distributed pursuant to this chapter from*  
12 *wagering on the specified nonthoroughbred race shall be deducted*  
13 *and distributed as if the wagers were placed on a thoroughbred*  
14 *race.*

15 *SEC. 2. No reimbursement is required by this act pursuant to*  
16 *Section 6 of Article XIII B of the California Constitution because*  
17 *the only costs that may be incurred by a local agency or school*  
18 *district will be incurred because this act creates a new crime or*  
19 *infraction, eliminates a crime or infraction, or changes the penalty*  
20 *for a crime or infraction, within the meaning of Section 17556 of*  
21 *the Government Code, or changes the definition of a crime within*  
22 *the meaning of Section 6 of Article XIII B of the California*  
23 *Constitution.*

24 *SEC. 3. This act is an urgency statute necessary for the*  
25 *immediate preservation of the public peace, health, or safety within*  
26 *the meaning of Article IV of the Constitution and shall go into*  
27 *immediate effect. The facts constituting the necessity are:*

28 *In order to implement the necessary changes to the Horse Racing*  
29 *Law before the 2013 Breeders' Cup World Championship series*  
30 *is held in California this year, it is necessary that this act take*  
31 *effect immediately.*