

AMENDED IN ASSEMBLY APRIL 16, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2164**

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**Introduced by Assembly Member Plescia**

February 18, 2004

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An act to amend Section 19605.73 of the Business and Professions Code, relating to horse racing, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2164, as amended, Plescia. Horse racing: marketing.

Existing law permits racing associations, fairs, and the organization responsible for contracting with racing associations and fairs with respect to the conduct of racing meetings, to form a private, statewide marketing organization to market and promote thoroughbred and fair horse racing. Existing law requires the marketing organization to annually submit to the California Horse Racing Board a statewide marketing and promotion plan for thoroughbred and fair horse racing. Existing law also specifies funds to be distributed to the marketing organization for the promotion of thoroughbred and fair horse racing, and for workers' compensation, as specified. Existing law makes these provisions inoperative on July 1, 2004, and repeals them on January 1, 2005.

This bill would extend the operation of these provisions until January 1, 2006, when they would be repealed.

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

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

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

1 SECTION 1. Section 19605.73 of the Business and  
2 Professions Code is amended to read:  
3 19605.73. (a) Racing associations, fairs, and the  
4 organization responsible for contracting with racing associations  
5 and fairs with respect to the conduct of racing meetings, may form  
6 a private, statewide marketing organization to market and promote  
7 thoroughbred and fair horse racing, and to obtain, provide, or  
8 defray the cost of workers' compensation coverage for stable  
9 employees and jockeys of thoroughbred trainers. The organization  
10 shall consist of the following members: two members, one from  
11 the northern zone and one from the combined central and southern  
12 zones, appointed by the thoroughbred racetracks; two members,  
13 one from the northern zone and one from the combined central and  
14 southern zones, appointed by the owners' organization responsible  
15 for contracting with associations and fairs with respect to the  
16 conduct of racing meetings; and two members, one from the  
17 northern zone and one from the combined central and southern  
18 zones, appointed by the organization representing racing and  
19 satellite fairs.

20 (b) The marketing organization formed pursuant to subdivision  
21 (a) shall annually submit to the board a statewide marketing and  
22 promotion plan and a thoroughbred trainers' workers'  
23 compensation defrayal plan for thoroughbred and fair horse racing  
24 that encompasses all geographical zones in the state, and which  
25 includes the manner in which funds were expended in the  
26 implementation of the plan for the previous calendar year. The  
27 plan shall be implemented as determined by the organization. The  
28 organization shall receive input from all interested industry  
29 participants and may utilize outside consultants in developing the  
30 annual marketing plan.

31 (c) In addition to the distributions specified in subdivisions (a)  
32 and (b) of Section 19605.7, and in Sections 19605.71 and  
33 19605.72, for thoroughbred and fair meetings only, from the  
34 amount that would normally be available for commissions and  
35 purses, an amount equal to 0.4 percent of the total amount handled



1 by each satellite wagering facility shall be distributed to the  
2 statewide marketing organization formed pursuant to subdivision  
3 (a) for the promotion of thoroughbred and fair horse racing and to  
4 defray the cost of workers' compensation coverage for stable  
5 employees and jockeys of thoroughbred trainers. Not more than  
6 one-sixth of the total amount available annually pursuant to this  
7 subdivision shall be used to defray the cost of workers'  
8 compensation insurance. Any of the promotion funds that are not  
9 expended in the year in which they are collected may be expended  
10 in the following year. If promotion funds expended in any one year  
11 exceed the amount collected for that year, the funds expended in  
12 the following year shall be reduced by the excess amount.

13 (d) This section shall remain in effect only until January 1,  
14 2006, and, as of that date, is repealed, unless a later enacted statute  
15 that is enacted before January 1, 2006, deletes or extends that date.  
16 Any moneys held by the organization shall, in the event this  
17 section is repealed, be distributed to the organization formed  
18 pursuant to Section 19608.2, for purposes of that section.

19 *SEC. 2. This act is an urgency statute necessary for the*  
20 *immediate preservation of the public peace, health, or safety*  
21 *within the meaning of Article IV of the Constitution and shall go*  
22 *into immediate effect. The facts constituting the necessity are:*

23 *In order to prevent the expiration of this marketing program,*  
24 *which is important to the vitality of the horse racing industry in*  
25 *California, it is necessary that this bill take effect immediately.*

