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## **BUSINESS AND PROFESSIONS CODE - BPC**

DIVISION 8. SPECIAL BUSINESS REGULATIONS [18400 - 22949.92.2] (Division 8 added by Stats. 1941, Ch. 44.) CHAPTER 4. Horse Racing [19400 - 19668] (Chapter 4 repealed and added by Stats. 1959, Ch. 1828.)

ARTICLE 2. General Administration and Enforcement [19420 - 19448] (Article 2 added by Stats. 1959, Ch. 1828.)

19420. Jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board.

(Repealed and added by Stats. 1959, Ch. 1828.)

**19421.** The board consists of seven members, appointed by the Governor.

Each member shall hold office for a term of four years, commencing at the expiration of the previous term.

The term of the members of the board in office on January 1, 1959, shall expire as follows: one member July 26, 1959, one member July 26, 1960, and one member July 26, 1961. The terms shall expire in the same relative order as to each member as the term for which he holds office on January 1, 1959.

The term of the members appointed pursuant to amendments made to this section during the 1977-1978 legislative session shall expire as follows: one on January 1, 1979 and one on January 1, 1982.

The term of the members appointed pursuant to amendments made to this section during the 1979-80 Regular Session of the Legislature shall expire as follows: one on January 1, 1982, and one on January 1, 1984.

Any vacancy shall be filled by the Governor for the unexpired term.

Each member shall be eligible for reappointment in the discretion of the Governor.

(Amended by Stats. 1980, Ch. 1043, Sec. 7.2.)

19422. Each member of the board shall have been a resident of this State for two years next preceding his appointment.

(Repealed and added by Stats. 1959, Ch. 1828.)

19423. A person is disqualified from membership on the board if the person, the person's spouse or any dependent child thereof:

- (a) Holds a financial interest in any horse racing track.
- (b) Holds a financial interest or position of management with any business entity which conducts parimutuel horse racing.
- (c) Holds a financial interest in a management or concession contract with any business entity which conducts parimutuel horse

(Amended by Stats. 2000, Ch. 1082, Sec. 18. Effective January 1, 2001.)

19424. No board member is disqualified from receiving a share of any purse awarded him as the result of any horse race as an owner of a horse or as a breeder of a California-bred horse.

(Repealed and added by Stats. 1959, Ch. 1828.)

19424.5. In order to permit the full participation of horsemen and horsewomen who may be appointed to the board, the Legislature declares that the appointment of such persons is intended to represent and further the interests of horse owners and breeders pursuant to Section 19401, and that such representation and furtherance will ultimately serve the public interest. Accordingly the Legislature finds racehorse owners and breeders are tantamount to and constitute the public generally within the meaning of Section 87103 of the Government Code.

19425. The members of the board shall receive a per diem of one hundred dollars (\$100) for each day spent in attendance at meetings scheduled by the chairperson of the board for the purpose of fulfilling the duties of the board pursuant to this chapter, and shall be reimbursed for traveling and other expenses necessarily incurred in the performance of official duties.

Notwithstanding any other provision of law, any member of the board who is also a member of, and is entitled to receive the benefits from, the Legislators' Retirement System may elect to forego the compensation provided by this section and, if the compensation is foregone, the member shall not have his or her retirement benefits reduced and shall not be required to be reinstated into the retirement system.

(Amended by Stats. 1985, Ch. 942, Sec. 1.)

**19426.** The Governor may remove any board member for incompetence, neglect of duty or corruption upon first giving him a copy of the charges against him and an opportunity to be heard.

(Amended by Stats. 1977, Ch. 1080.)

**19427.** The board shall appoint such employees as may be necessary to carry out the provisions of this chapter. (*Repealed and added by Stats. 1959, Ch. 1828.*)

19428. The board shall appoint an executive director who shall receive the annual salary established by the board and approved by the Department of Human Resources. The executive director shall be the board's executive officer and shall carry out and execute the duties as specified by law and by the board.

(Amended by Stats. 2012, Ch. 665, Sec. 4. (SB 1308) Effective January 1, 2013.)

- 19429. A person is disqualified from employment by the board if the person, the person's spouse, or any dependent child thereof:
- (a) Holds a financial interest in a horserace track.
- (b) Holds a financial interest or position of management with an entity that conducts parimutuel horseracing.
- (c) Holds a financial interest in a management or concession contract with a business entity that conducts parimutuel horseracing. (Amended by Stats. 1977, Ch. 1080.)
- 19430. The salaries of the executive director, and other employees of the board, the per diem allowance of members of the board, and the necessary traveling and other expenses of the executive director and members of the board, shall be paid monthly by the Treasurer on the warrant of the Controller and the certification of the chairperson of the board out of the money appropriated for that purpose.

(Amended by Stats. 2000, Ch. 1082, Sec. 21. Effective January 1, 2001.)

- **19431.** (a) The board shall establish and maintain a general office for the transaction of its business in Sacramento. The board may establish any branch office for the transaction of its business at a place to be determined by it, and may hold meetings at any other place within the state when the interests of the public may be better served.
- (b) A public record of every vote shall be maintained at the board's general office and posted on the board's internet website.
- (c) At least four members of the board shall concur in the taking of any official action or in the exercise of any of the board's duties, powers, or functions.

(Amended by Stats. 2021, Ch. 536, Sec. 1. (AB 1587) Effective January 1, 2022.)

<u>19431.5.</u> The board shall publish, on a weekly basis on its internet website, all racehorse fatalities related to racing or training that occur within a licensed inclosure.

(Added by Stats. 2020, Ch. 252, Sec. 2. (SB 800) Effective January 1, 2021.)

19432. The executive director shall keep a full and true record of all proceedings of the board, preserve at the board's general office all books, documents, and papers of the board, prepare for service such notices and other papers as may be required of him or her by the board, and perform such other duties as the board may prescribe.

(Amended by Stats. 2000, Ch. 1082, Sec. 22. Effective January 1, 2001.)

1943. The board may visit, investigate, and place expert accountants and such other persons as it may deem necessary in the office, track, or other place of business of any licensee for the purpose of satisfying itself that its rules and regulations are strictly complied with.

(Repealed and added by Stats. 1959, Ch. 1828.)

**19434.** The board may require that the books and financial or other statements of any person licensed under this chapter shall be kept in any manner which to the board may seem best.

(Repealed and added by Stats. 1959, Ch. 1828.)

**19435.** The board, its executive director, or the stewards, may issue subpoenas for the attendance of witnesses or the production of any records, books, memoranda, documents, or other papers or things, as is necessary to enable any of them to effectually discharge their duties, and may administer oaths or affirmations as necessary in connection therewith.

(Amended by Stats. 2000, Ch. 1082, Sec. 23. Effective January 1, 2001.)

**19436.** Any person subpoenaed who fails to appear at the time and place specified in answer to the subpoena and to bring any papers or things specified in the subpoena, or who upon such appearance, refuses to testify, or produce such records or things, is guilty of a misdemeanor.

(Repealed and added by Stats. 1963, Ch. 1835.)

19437. Any person who testifies falsely under oath in any proceeding before, or any investigation by the board, its executive director, or the stewards, is guilty of a felony and shall be punished in the same manner prescribed by the Penal Code for the punishment of perjury.

(Amended by Stats. 2000, Ch. 1082, Sec. 24. Effective January 1, 2001.)

19438. All civil process in actions brought against the executive director or the board and all subpoenas for the production of board records shall be served upon the executive director or their designated representative at the board's headquarters in Sacramento. (Added by Stats. 2024, Ch. 354, Sec. 1. (AB 1768) Effective January 1, 2025.)

**19439.** In lieu of requiring an affidavit or other sworn statement in any application or other paper or document required to be filed with it, the board may require a certification thereof under the penalty of perjury, in such form as the board may prescribe.

Any person who willfully makes and subscribes any such certificate which is materially false in any particular is guilty of a felony, and shall be punished in the manner prescribed by the Penal Code for the punishment of perjury.

(Repealed and added by Stats. 1959, Ch. 1828.)

- <u>19440.</u> (a) The board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the board shall include, but not be limited to, all of the following:
  - (1) Adopting rules and regulations that protect and advance the health, safety, welfare, and aftercare of racehorses.
  - (2) Adopting rules and regulations for the protection of the public and the control of horse racing and parimutuel wagering.
  - (3) Administration and enforcement of all laws, rules, and regulations affecting horse racing and parimutuel wagering.
  - (4) Adjudication of controversies arising from the enforcement of those laws and regulations dealing with horse racing and parimutuel wagering.
  - (5) Licensing of each racing association and all persons, other than the public at large, who participate in a horse racing meeting with parimutuel wagering.
  - (6) Allocation of racing dates to qualified associations in accordance with law.
- (b) The board may delegate to stewards appointed pursuant to Article 5 (commencing with Section 19510) any of its powers and duties that are necessary to carry out fully and effectuate the purposes of this chapter.

(Amended by Stats. 2020, Ch. 251, Sec. 1. (AB 1974) Effective January 1, 2021.)

- 19440.1. (a) (1) Notwithstanding any other law, the board may enter into agreements with the authority and any other private, state, or federal entity that is responsible for administering the federal Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051 et seq.) for the purpose of providing services consistent with the enforcement of the horseracing antidoping and medication control program and the racetrack safety program, as authorized by Section 3054(e)(2) of Title 15 of the United States Code.
  - (2) Upon entering into an agreement pursuant to paragraph (1), the board's employees and contractors are authorized to provide all services contracted for under the agreement, including, but not limited to, representation in any administrative adjudicative enforcement proceeding, and general enforcement of the authority's horseracing antidoping and medication control program and racetrack safety program.
  - (3) An agreement entered into pursuant to paragraph (1) shall not be subject to state contracting laws or Department of General Services review or approval.
- (b) On behalf of the authority, the board may collect and remit fees assessed by the authority to fund California's proportionate share of the authority's horseracing antidoping and medication control program and racetrack safety program, as authorized by Section 3052(f) of Title 15 of the United States Code. If the board elects to collect and remit fees on behalf of the authority, the board shall allocate, assess, and collect the fees assessed by the authority from those associations and fairs subject to the authority's jurisdiction in either of the following manners:
  - (1) From the remaining market access fees addressed by paragraph (5) of subdivision (f) of Section 19604, pursuant to the process described in subparagraph (E) of that paragraph.
  - (2) As part of the license fee established by Section 19616.51 using the methodology described in that section.
- (c) Notwithstanding any other law, the board may elect to subject breeds other than thoroughbreds to the federal Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051 et seq.), as authorized by Section 3054(I) of Title 15 of the United States Code.
- (d) For purposes of this section, "the authority" has the same meaning as defined in Section 3051 of Title 15 of the United States

(Added by Stats. 2022, Ch. 48, Sec. 2. (SB 189) Effective June 30, 2022.)

- **19440.5.** An annual audit shall be conducted of the financial books and records of the horsemen's organizations, including any subsidiaries of the horsemen's organizations, by a nationally recognized accounting firm as follows:
- (a) With respect to pension funds received by those organizations pursuant to Sections 19533, 19613, and 19613.1, the audit shall be conducted within 90 days of the close of the fund's business year. The audit shall cover the period of time since the last audit, and a copy thereof shall be filed with the board, and the Senate and Assembly Committees on Governmental Organization.
- (b) With respect to administrative funds and welfare funds received pursuant to Sections 19533, 19606.5, 19613, and 19641, the audit shall be conducted within 90 days of the close of the fund's business year. The audit shall cover the period of time since the last audit, and a copy thereof shall be filed with the board, and the Senate and Assembly Committees on Governmental Organization.
- (c) The horsemen's organizations shall bear the cost of the audit.

(Amended by Stats. 2005, Ch. 505, Sec. 2. Effective January 1, 2006.)

<u>19441.</u> The board shall annually make a full report to the Governor and the Legislature of its proceedings and the state of the business of horse racing for the preceding fiscal year, on or before January 31, and shall embody therein any recommendations deemed needed for improved functioning of the horse racing laws.

(Amended by Stats. 2000, Ch. 1082, Sec. 26. Effective January 1, 2001.)

**19441.2.** In its annual report required under Section 19441, the board shall include a tabulation of injuries, fatalities, and comparative accident rates for all racing and training venues within its jurisdiction. The report shall also include recommendations concerning the worker safety impacts of improvements in racetrack design, jockey equipment, racing procedures, and track and facility maintenance.

(Added by Stats. 1990, Ch. 1259, Sec. 1.)

**19442.2.** The board shall, if possible, designate at least one steward at each track where a horse racing meeting is conducted who is a former jockey or at least one steward at each track where a harness meeting is conducted who is a former driver.

(Amended by Stats. 2000, Ch. 1082, Sec. 27. Effective January 1, 2001.)

<u>19443.</u> The Attorney General and every district attorney shall enforce this chapter in their capacities as law enforcement officers. (*Added by renumbering Section 19442 by Stats. 1977, Ch. 1080.*)

19444. In performing its responsibilities pursuant to this chapter, the board may do the following:

- (a) Pay membership fees, join, and participate in the affairs of associations having for their purpose the interchange of information relating to racing law enforcement, the licensing of horse racing participants, the registration of race horses, and subjects relating to the duties of the board.
- (b) Tabulate, analyze, and publish statistical information based upon parimutuel handles, attendance, distribution of parimutuel proceeds among fees, commissions, purses, and awards, and upon the breeding and production of race horses or other information relating to parimutuel wagering.
- (c) Conduct research to determine more fully the cause and prevention of horse racing accidents, the effects of drug substances on the race horses, and the means for detection of foreign drug substances.

(Amended by Stats. 2000, Ch. 1082, Sec. 28. Effective January 1, 2001.)

19446.1. Notwithstanding any other provision of law, a veterinarian shall not administer medications to any horse entered in the same race in which a horse is entered which he or she owns or trains.

In addition to any penalty provided for by this chapter or any other law, a violation of this section by any licensed veterinarian shall be grounds for denial, revocation, or suspension of a license or imposition of a fine pursuant to Section 4883 and the veterinarian shall be subject to disciplinary action pursuant to Article 4 (commencing with Section 4875) of Chapter 11 of Division 2.

(Added by renumbering Section 19446 (as amended by Stats. 1991, Ch. 1091, Sec. 13) by Stats. 1993, Ch. 1120, Sec. 9. Effective January 1, 1994.)

**19447.** If a question of consent is appealed to the board under subdivision (a) of Section 19601 or subdivision (f) of Section 19605.3, the board shall hold a hearing on the appeal. Notwithstanding any other provision of law, the board may hold a hearing pursuant to this section within 24 hours of noticing the hearing.

(Added by Stats. 1993, Ch. 575, Sec. 3. Effective January 1, 1994.)

- <u>19448.</u> (a) The board shall submit to the Department of Justice fingerprint images and related information required by the Department of Justice of all of the following individuals pursuant to subdivision (u) of Section 11105 of the Penal Code:
  - (1) A current or prospective employee.
  - (2) A current or prospective contractor.
  - (3) A current or prospective holder of a license issued pursuant Section 19480.
  - (4) A racing official, as defined in Section 19510.
  - (5) A current or prospective holder of a license issued pursuant to Article 5.5 (commencing with Section 19520).
- (b) The Department of Justice shall provide a state- or federal-level response pursuant to subdivision (p) of Section 11105 of the Penal Code.
- (c) The board's chief of licensing and enforcement may investigate the criminal history of all persons listed in subdivision (a) in order to make a final determination of a person's fitness to perform duties.

(Amended by Stats. 2024, Ch. 997, Sec. 2. (AB 179) Effective September 30, 2024.)