

provides the opportunity for a horse racing track to increase revenues by exporting live race content to other racing tracks, fairs, and tribal casinos, which is especially important in light of the industry's ongoing decline in attendance and handle figures.

Horse Racing Zones. California horse racing is generally split between two zones – the northern zone and the southern zone (although there is a central zone, the central and southern zones are grouped into one zone for purposes of wagering). Money wagered on a California horse race, whether placed in-person or online, stays in the zone where the money is wagered. For example, money from a wager placed in the northern zone stays in the northern zone, regardless of whether the customer is wagering on a race held at the northern zone track, a southern zone track holding a concurrent race, or an out-of-state track.

The closure of Golden Gate Fields in 2024 led to a significant gap in the northern zone racing calendar and the logistics of collecting and distributing funds wagered in the northern zone. AB 1074 (Alanis), Chapter 275, Statutes of 2023, addressed this gap by requiring a racing association in the southern zone, if at a time when there is no live racing occurring in the northern zone, to be deemed operating in the northern zone for the purposes of conducting wagering and making and receiving required distributions from wagers in accordance with existing law. This bill strikes references to the northern zone regarding the authorization and operation of certain satellite wagering facilities, thus making the provisions effective in relation to the entire state, and makes other changes to facilitate the licensure of additional satellite wagering facilities.

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