

SENATE THIRD READING
SB 1294 (Rubio)
As Introduced February 20, 2026
Majority vote

SUMMARY

This bill would add the Japan Cup to the existing group of thoroughbred horse race meetings that are exempt from the 75 race-per-day limit on imported races into California for wagering.

Major Provisions

- 1) Adds the Japan Cup to the group of races which are exempt from the 75-race per day limit on imported races in California by a thoroughbred or fair racing association in the state when operating a race meeting.

COMMENTS

Background.

Japan Cup. The Japan Cup is a Group 1 horse race in Japan, held annually on the last Sunday of November at Tokyo Racecourse in Fuchū, Tokyo. It is a flat race run at 2400 meters (about one and a half miles, or 12 furlongs) with a maximum of 18 horses. First run in 1981, the Japan Cup was created by the Japanese Racing Association to give local horses the opportunity to compete against those of international caliber and to promote goodwill within the racing community worldwide.

Status of the horse racing industry in California. The California horse racing industry's long-term health is threatened by a combination of factors, including competition from racing in other states, other forms of gaming within California, declining attendance, and the potential for higher return from development than operating revenues. As resources shrink, the industry is experiencing deficits in virtually every one of its revenue sources. Traditional take out, allocation and distribution formulas are no longer able to sustain ongoing operations.

As the value of racing operations declines, track ownership is struggling to maximize the necessary return on the investment and tempted by alternative uses of the property that yield higher returns. Consequently, the racing industry is suffering unprecedented instability and capital flight. Tens of thousands of industry jobs are in immediate jeopardy, along with breeding farms and precious open space in urban centers throughout California. Also at risk is a substantial amount of local and state revenue generated both directly and indirectly by the industry.

Simulcasting. Simulcasting is the process of transmitting the audio and video signal of a live racing performance from one facility to a satellite for re-transmission to other locations or venues where pari-mutuel wagering is permitted. Simulcasting provides racetracks with the opportunity to increase revenues by exporting their live racing content to as many wagering locations as possible. This includes other racetracks, fair satellite facilities, and Indian casinos. Revenues are increased because simulcasting provides racetracks that export their real-time content to additional customers in multiple locations who would not have otherwise been able to place wagers on the live racing event.

According to the Author

According to the author's office, "This bill will support California jobs in the horse racing industry and the sport of horse racing by expanding the number of horse races exempted from the state's limitation on the number of horse races allowed to be imported by associations or fairs in California for the purposes of wagering. This bill adds the Japan Cup to the existing list of races exempted under the California Horse Racing Law."

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill is keyed non-fiscal by Legislative Counsel.

VOTES**SENATE FLOOR: 38-0-2**

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Padilla, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Ochoa Bogh, Pérez

ASM GOVERNMENTAL ORGANIZATION: 19-0-3

YES: Blanca Rubio, Davies, Alvarez, Bryan, Chen, Dixon, Fong, Gabriel, Gipson, Macedo, Nguyen, Pacheco, Ramos, Michelle Rodriguez, Solache, Soria, Ta, Valencia, Wallis

ABS, ABST OR NV: Berman, Carrillo, McKinnor

UPDATED

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