

Accentuating the Positive



In January of this year, I announced in this column of mine in that month's publication that the new year was full of optimism for the racing industry in California. Specific beneficial issues for the year ahead cited in that article included the successful passage and signing of workers' compensation legislation, as well as the potential authorization of slot machines at certain racetracks in the Golden State.

We are pleased that, on May 13, Governor Schwarzenegger signed Assembly Bill 701 (Horton), the industry-supported workers' comp legislation which included the necessary amendments noted by the Governor in his previous veto. As stated before, this bill will allow for a half percent increase in the takeout on exotic wagers which will generate over \$10 million that would be allocated to workers' comp premiums and starter fees. The industry has formed a workers' comp working group that consists of representatives from the various tracks, fairs and horsemen's organizations that will administer and oversee this program. It is estimated that the subsidized workers' comp rates and starters fees could be enacted within the next 30 to 60 days.

As breeders, we are heavily dependent on the demand for the horses we produce. A reduction in the costs associated with ownership, coupled with the lucrative awards and purse opportunities available, will further provide a strong marketplace for our product.

Assemblyman Jerome Horton and Assembly GO Committee Consultant Eric Johnson should be commended for their hard work and perseverance in getting this legislation signed.

In regards to the Gaming Revenue Act of 2004 (slots initiative), over one million signatures were submitted in mid-April in order for the measure to appear on the ballot and be considered by voters on November 2. As outlined in previous editions of *California Thoroughbred*, this initiative could result in 15,000 slot machines being placed at five racetracks in California. These machines would

provide significant additional revenue which could more than double and possibly triple both purses and the CTBA's California-bred Incentive Awards Program. Also, a large percentage of the revenues will be distributed annually to the Gaming Revenue Trust Fund which would be distributed to county offices of education, local governments (for additional fire fighters, sheriffs and police officers), as well as to non-gaming tribes.

The Secretary of State's office has until June 24 to validate the signatures and certify the initiative for the ballot. So we would like to thank all those CTBA members who circulated and signed the petition forms.

The racing meets thus far in 2004, continue to struggle with both short fields and disappointing handle and attendance numbers. Both the workers' comp legislation and the potential slot revenues will be instrumental in reversing those trends.

From a racing standpoint it has been a good start to the year for Cal-breds, as many of them have won numerous graded stakes races, including some of the more prestigious races across the country. Plus, the recently concluded Citibank California Gold Rush V Day held at Hollywood Park on April 24, once again provided full fields and competitive races. Many of the top older Cal-breds, as well certain future stars, were showcased on this day. The handle and attendance for this event, however, was below our expectations.

Finally, the recent two-year-olds in training auctions at Barretts, held in both March and May, again proved to be very good venues for our local breeders to successfully sell their Cal-breds. In fact, the recently-concluded May sale, which cataloged over 50 percent Cal-breds, was a record-breaking event.

Overall, there are good reasons to remain optimistic and let's hope that along with the workers' comp relief, we see even more similarly positive trends throughout the year.

—Doug Burge

