

- (ii) Notwithstanding the provisions of subdivision (d) (i) of this Section, the funds distributable to thoroughbred racing associations and racing fairs from the pooled net win shall be allocated in such a manner as to cause average daily purses for thoroughbred races, other than stakes races and special events, to be the percentages of the average daily purses for such races conducted by thoroughbred racing associations in the Central and Southern zone as set forth below:
 - (a) 90% for thoroughbred racing associations in the Northern zone;
 - (b) 65% for a racing fair in the Central zone;
 - (c) 50% for racing fairs in the Northern zone other than the Humboldt County Fair;
 - (d) 7½% for the Humboldt County Fair.
- (iii) Notwithstanding the provisions of this subdivision (d) to the contrary, the allocation of purses among the thoroughbred racing associations and the racing fairs may be altered upon approval of the California Horse Racing Board, in accordance with an agreement signed by all of the thoroughbred racing associations and the organization responsible for negotiating thoroughbred purse agreements on behalf of horsemen.
- (iv) The California Horse Racing Board shall be responsible for the oversight of the distribution of the pooled net win in accordance with the provisions of this subdivision (d).

(e) Eighteen and one-half percent (18.5%) of the net win from all gaming devices operated by owners of an authorized horseracing track upon which a quarter horse racing meeting was conducted in 2002 shall be paid to supplement purses of races conducted by a quarter horse racing association.

(f) One and four tenths percent (1.4%) of the net win from gaming devices operated by owners of an authorized horse racing track described in subdivision (e) above shall be paid to supplement the purses of harness races conducted by a harness racing association that conducts at least 150 days or nights of harness racing annually at the California Exposition and State Fair, and on-tenth of one percent (.1%) of such net win shall be paid to the harness racing association described in this subdivision (f).

SECTION 5. Section 19805.5 is added to the Business and Professions Code to read as follows:

Sec. 19805.5.

As used in this chapter, and in the Gaming Revenue Act of 2004, “gaming device” shall mean and include a slot machine under state law or any Class III device under the Indian Gaming Regulatory Act. The operation of a gaming device by a tribe, entity or person authorized to operate gaming devices under the Gaming Revenue Act shall constitute controlled gaming under State law.

SECTION 6. Section 19863 of the Business and Professions Code is amended to read as follows:

Sec. 19863.

A publicly traded racing association or a qualified racing association, or their successors in interest, shall be allowed to operate only one ~~gaming~~ gambling establishment, and the ~~gaming~~ gambling establishment shall be located on the same ~~premises~~ site as the entity's racetrack was located in 2002.

SECTION 7. Section 19985 is added to the Business and Professions Code to read as follows:

Sec. 19985.

(a) Except as provided in this section, the Gambling Control Act, including, but not limited to, the jurisdiction and powers of the Division and Commission to enact regulations, to enforce applicable law, to conduct background investigations and to issue licenses and work permits, shall apply to authorized horseracing tracks as defined in the Gaming Revenue Act, and to the operators of gaming devices thereon, including their successors in interest, in and to the same extent the Gambling Control Act applies to gambling establishments.

(b) Employees of authorized horseracing tracks who are not owners, shareholders, partners or key employees, and whose job responsibilities do not involve controlled games, shall not be required to obtain work permits pursuant to this Chapter.

SECTION 8. Section 19962 of the Business and Professions Code is amended to read as follows:

19962.

(a) On and after the effective date of this chapter, neither the governing body nor the electors of a county, city, or city and county that has not authorized legal gaming within its boundaries prior to January 1, 1996, shall authorize legal gaming.

(b) No ordinance in effect on January 1, 1996, that authorizes legal gaming within a city, county, or city and county may be amended to expand gaming in that jurisdiction beyond that permitted on January 1, 1996.

~~(c) This section shall remain operative only until January 1, 2007, and as of that date is repealed.~~

(c) This section is not intended to prohibit gaming authorized by the Gaming Revenue Act of 2004.

SECTION 9. Section 19963 of the Business and Professions Code is amended to read as follows:

19963.

(a) In addition to any other limitations on the expansion of gambling imposed by Section 19962 or any provision of this chapter, and except as provided in the Gaming Revenue Act of 2004, the commission shall not issue a gambling license for a gambling establishment that was not licensed to operate on December 31, 1999, unless an application to operate that establishment was on file with the division prior to September 1, 2000.

~~(b) This section shall remain in effect only until January 1, 2007, and as of this date is repealed, unless a later enacted statute, that is enacted January 1, 2007, deletes or extends that date.~~

SECTION 10. Section 19817 of the Business and Professions Code is amended to read as follows:

The commission shall establish and appoint a Gaming Policy Advisory Committee of 10 members. The committee shall be composed of representatives of controlled gambling licensees, authorized horse racing tracks under the Gaming Revenue Act, representatives of gaming tribes, and members of the general public. The executive director shall, from time to time, convene the committee for the purpose of discussing matters of controlled gambling regulatory policy and any other relevant gambling-related issue. The recommendations concerning gambling policy made by the committee shall be presented to the commission, but shall be deemed advisory and not binding on the commission in the performance of its duties or functions. ~~The committee may not advise the commission on Indian gaming.~~

SECTION 11. Section 12012.6 is added to the Government Code to read as follows:

(a) Notwithstanding Government Code sections 12012.25 and 12012.5, and any other provision of law, the Governor is the designated state officer responsible for negotiating and executing, on behalf of the state, tribal-state gaming compacts with federally recognized Indian tribes located within the State of California pursuant to the federal Indian Gaming Regulatory Act of 1988 (18 U.S.C. Sec. 1166 to 1168, incl., and 25 U.S.C. Sec. 2701 et seq.) for the purpose of authorizing class III gaming, as defined in that act, on Indian lands within this state. Nothing in this section shall be construed to deny the existence of the Governor's authority to have negotiated and executed tribal-state gaming compacts prior to the effective date of this section.

(b) The Governor shall submit a copy of any executed tribal-state compact to the Secretary of State who shall forward a copy of the executed compact to the Secretary of the Interior for his or her review and approval, in accordance with paragraph (8) of subsection (d) of Section 2710 of Title 25 of the United States Code.