

19525. (a) For purposes of this section, "equine" means a horse of any breed used for racing or showing, including prospective racehorses, breeding prospects, stallions, stallion seasons, broodmares, yearlings, or weanlings, or any interest therein.

(b) Any sale, purchase, or transfer of an equine shall be both of the following:

- (1) Accompanied by a written bill of sale or acknowledgment of purchase setting forth the purchase price.
- (2) Signed by both the purchaser and the seller or their duly authorized agents or, in a transaction solely relating to a season or fractional interest in a stallion, signed by the syndicate manager or stallion manager.

(c) When a transaction described in subdivision (b) is accomplished through a public auction, the bill of sale requirement may be satisfied by the issuance of an auction receipt generated by the auction house and signed by the purchaser or an agent whom the purchaser has authorized.

(d) It is unlawful for a person to act as a "dual agent," which is hereby defined as a person acting as an agent for both the purchaser and the seller, in a transaction involving the sale, purchase, or transfer of an interest in an equine without the prior knowledge of both the purchaser and seller, and the written consent of both the purchaser and seller.

(e) It is unlawful for a person acting as an agent for either a purchaser or a seller or acting as a dual agent in a transaction involving the sale, purchase, or transfer of an equine to receive in excess of five hundred dollars (\$500) worth of compensation, fees, gratuities, or other items of value, related directly or indirectly to that transaction, from an individual or entity, including any consigner involved in the transaction, other than the agent's principal, unless both of the following occur:

- (1) The agent receiving the item of value and the individual or entity giving the item of value disclose the transfer of that item of value in writing to the principal or principals for whom the agent is acting.
- (2) Each principal for whom the agent is acting consents thereto in writing.

(f) Any person acting as an agent for a purchaser or seller or acting as a dual agent in a transaction involving the sale, purchase, or transfer of an equine shall, upon request by his or her principal or principals, provide to the requesters copies of all financial records in the possession or control of the agent pertaining to the transaction. For purposes of this subdivision, financial records shall not include the agent's or owner's work product used to internally evaluate the equine.

(g) Any person injured by a violation of this section shall recover treble damages from persons or entities violating this section.

(h) No contract or agreement for payment of a commission, fee, gratuity, or any other form of compensation in connection with any sale, purchase, or transfer of an equine shall be enforceable by way of an action or defense unless both of the following occur:

- (1) The contract or agreement is in writing and is signed by the party against whom enforcement is sought.
- (2) The recipient of the compensation provides a written bill of sale or auction receipt for the transaction in accordance with paragraph (1) of subdivision (b) and subdivision (c) respectively.

(i) The board may suspend or revoke the license of any person who violates this section.

(j) Subdivisions (g) and (h) shall not apply to the acts or omissions of an entity or individual engaged in conducting a public auction of an equine, or the entity or individual's employees or agents, if both of the following conditions apply:

- (1) The acts or omissions of the entity, individual, employee, or agent are in furtherance of or pursuant to the conduct of the public auction of an equine.
- (2) The entity or individual is appropriately licensed or authorized to conduct that specific public auction by the California Horse Racing Board and any other governmental entity whose permission or authorization is required to conduct the auction.