



TEXAS RACING COMMISSION

**P. O. Box 12080
Austin, TX 78711-2080
(512) 833-6699
Fax (512) 833-6907**

Texas Racing Commission
Tuesday, September 29, 2020
10:30 a.m.

By videoconference:

<https://global.gotomeeting.com/join/632045629>

Phone: (408) 650-3123 Access code 632-045-629

AGENDA

I. CALL TO ORDER

Roll Call

II. PUBLIC COMMENT

III. GENERAL BUSINESS

- A. Discussion and consideration of reports by the Executive Director and staff regarding administrative matters:
 - 1. Budget and finance, including the Horse Industry Escrow Account
 - 2. Wagering statistics
 - 3. Enforcement
- B. Discussion and possible action to approve the Commission's Legislative Appropriations Request for FY 2022-23
- C. Discussion and possible action to approve the Commission's operating budget for FY 2021
- D. Discussion and possible action to approve memorandum of understanding with Texas Veterinary Medical Diagnostic Lab (TVMDL) for FY 2021

IV. PROCEEDINGS ON RULES

- A. Discussion and possible action to adopt amendments to the following rules proposed in the August 7, 2020, issue of the Texas Register:
 - 1. 16 TAC § 323.101, Administrative Penalties
 - 2. 16 TAC § 323.201, Reporting of Criminal Activity and Convictions
- B. Discussion and possible action to propose amendments to the following sections of the Rules of the Texas Racing Commission:
 - 1. 16 TAC § 309.8, Racetrack License Fees
 - 2. 16 TAC § 303.321, Allocations to Breed Registries
 - 3. 16 TAC § 303.323, Modifications to Approved Events

V. PROCEEDINGS ON RACETRACKS

- A. Discussion and possible action to allocate live race dates for horse racetracks under 16 TAC § 303.41 for the period from January 1, 2021, through August 31, 2022
- B. Discussion and possible action to allocate live race dates for greyhound racetracks under 16 TAC § 303.41 for the period from January 1, 2021, through August 31, 2022
- C. Discussion and possible action to modify the disbursement of purse funds throughout the year
- D. Discussion and possible action to approve management change for Global Gaming LSP, LLC, d/b/a Lone Star Park at Grand Prairie
- E. Discussion and possible action to approve management change for PM Texas, LLC
- F. Discussion and possible action to approve concession contract for Sam Houston Race Park

VI. PROCEEDINGS ON OCCUPATIONAL LICENSES

Discussion and possible action on the proposal for decision in SOAH No. 0476-20-3410, Joel Politi v. Texas Racing Commission

VII. EXECUTIVE SESSION

The following items may be discussed and considered in executive session or open meeting, with any action taken in the open meeting:

- A. Under Texas Government Code § 551.071(1), the Commission may enter an executive session to seek the advice of its attorney regarding pending or contemplated litigation, or regarding a settlement offer.

- B. Under Texas Government Code § 551.071(2), the Commission may enter an executive session to discuss all matters identified in this agenda where the commission seeks the advice of its attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas. This may include, but is not limited to, legal advice regarding the Open Meetings Act, the Administrative Procedures Act, and the Texas Racing Act.
- C. Under Tex. Occ. Code § 2025.005, the Commission may enter an executive session to review security plans and management, concession, and totalisator contracts.

VIII. SCHEDULING OF NEXT COMMISSION MEETING

IX. ADJOURN

I. CALL TO ORDER

Roll Call

II. PUBLIC COMMENT

III. GENERAL BUSINESS

- A. Discussion and consideration of reports by the Executive Director and staff regarding administrative matters:
 - 1. Budget and finance, including the Horse Industry Escrow Account
 - 2. Wagering statistics
 - 3. Enforcement



Fiscal Year 2020 Operational Budget

Updated: August 25, 2020
Thru: July 31, 2020

Summary of Operating Revenue By Revenue Type:

	Budget	Collected	Suspended	Uncollected	
				Balance	%
Account 597 Racing Commission - GRD	\$ 5,165,046	\$ 4,870,612	\$ -	\$ 294,434	6%
Account 1 - State of Texas - GR	\$ -	\$ -	\$ -	\$ -	-
TOTAL - ALL REVENUES	\$ 5,165,046	\$ 4,870,612	\$ -	\$ 294,434	6%

Summary of Appropriated Operating Expenses

	Budget	Expended	Encumbered	Unexpended	
				Balance	%
1001 - Salaries and Wages:	\$ 2,216,758	\$ 1,800,011	\$ -	\$ 416,747	19%
1002 - Other Personnel Cost:	\$ 43,860	\$ 62,923	\$ -	\$ (19,063)	-43%
2001 - Professional Fees and Services:	\$ 478,665	\$ 394,887	\$ -	\$ 83,778	18%
2003 - Consumable Supplies:	\$ 12,700	\$ 12,585	\$ -	\$ 115	1%
2004 - Utilities:	\$ 51,000	\$ 42,360	\$ -	\$ 8,640	17%
2005 - Travel:	\$ 229,348	\$ 111,909	\$ -	\$ 117,439	51%
2006 - Rent Building:	\$ 105,970	\$ 105,576	\$ -	\$ 394	0%
2007 - Rent Machine and Other:	\$ 4,700	\$ 5,074	\$ -	\$ (374)	-8%
2009 - Other Operating Expense:	\$ 379,485	\$ 225,197	\$ -	\$ 154,288	41%
5000 - Capital Expenditures:	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL - APPROPRIATED OPERATING EXPENDITURES	\$ 3,522,486	\$ 2,760,521	\$ -	\$ 761,965	22%

Unappropriated Operating Expenses Type:

	Budget	Expended	Encumbered	Unexpended	
				Balance	%
TOTAL - ALL UNAPPROPRIATED EXPENDITURES	\$ 1,018,916	\$ 886,123	\$ -	\$ 132,794	13%
TOTAL - ALL EXPENDITURES	\$ 4,541,402	\$ 3,646,644	\$ -	\$ 894,759	20%
OPERATING SURPLUS / (DEFICIT)	\$ 623,644	\$ 1,223,968			

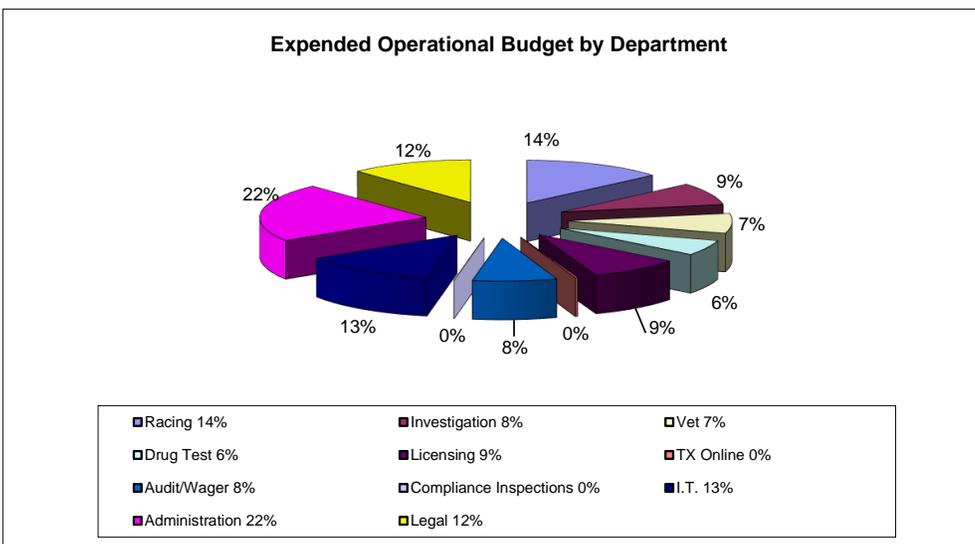
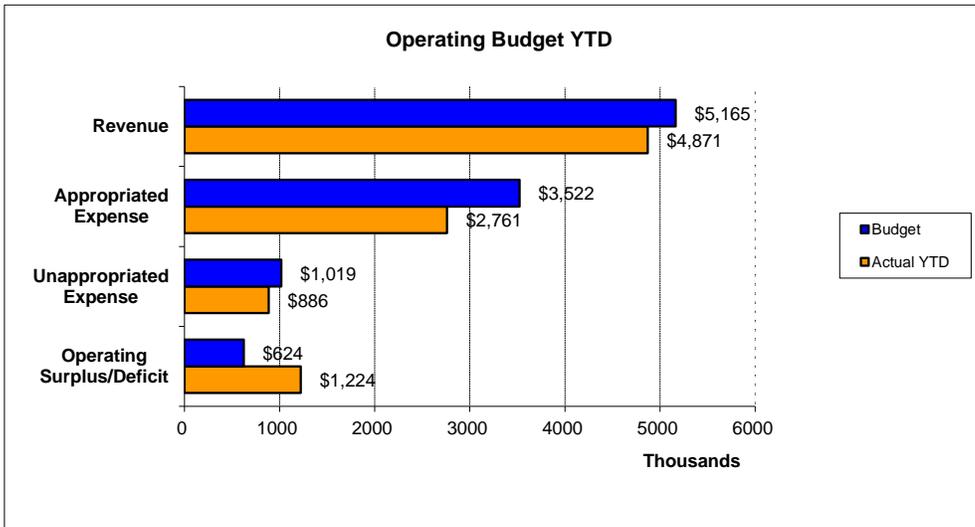
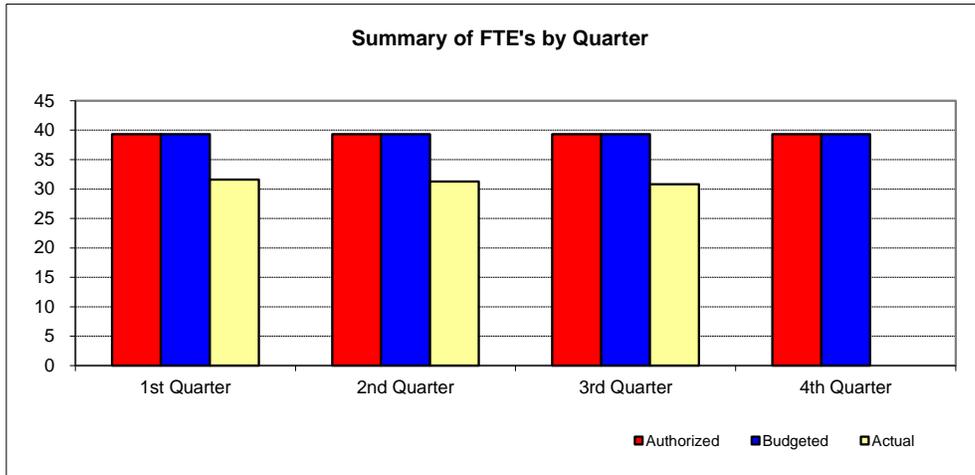
Summary of FTE's

By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Authorized FTE's	39.30	39.30	39.30
Budgeted FTE's	39.30	39.30	39.30	39.30
Actual FTE's	31.60	31.30	30.80	0.00
Actual FTE's Over / (Under) Budget	(7.70)	(8.00)	(8.50)	n/a
Actual FTE's Over / (Under) Authorization	(7.70)	(8.00)	(8.50)	n/a



Fiscal Year 2020 Operational Budget

Updated: August 25, 2020
Thru: July 31, 2020



Texas Racing Commission

FYE 08/31/2020
Operating Budget Status
by LBB Expenditure Object/Codes

OBS-1

Strategy	Program Description	FY 2020 Annual Budget	FY 2020 Expended Thru 7/31/2020	FY 2020 Unexpended Bal 8/31/2020	With 91.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i> A.1.1.	- FTE's = 4.00 <u>Regulate Racetrack Owners</u>				
Base Appr =	1001 Salaries and Wages	340,440.96	273,596.66	66,844.30	80.37%
\$ 373,628.00	1002 Other Personnel Cost	5,740.00	4,880.00	860.00	85.02%
Sup Appr =	2001 Prof Fees and Services	15,000.00	14,048.75	951.25	93.66%
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 373,628.00	2005 Travel	3,350.00	2,303.11	1,046.89	68.75%
Budgeted =	2006 Rent Building	-	-	-	
\$ 373,403.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	8,872.04	6,084.74	2,787.30	68.58%
(225.00)	CB Computer Equipment	-	-	-	
-0.06%	Total Strategy A.1.1.	373,403.00	300,913.26	72,489.74	80.59%
<i>Appropriated</i> A.3.1.	(0.05) FTE's = 5.50 <u>Supervise Racing and Licensees</u>				
Base Appr =	1001 Salaries and Wages	333,780.44	268,392.56	65,387.88	80.41%
\$ 465,909.00	1002 Other Personnel Cost	8,700.00	23,924.05	(15,224.05)	274.99%
Sup Appr =	2001 Prof Fees and Services	30,515.00	22,462.50	8,052.50	73.61%
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 465,909.00	2005 Travel	77,300.00	46,979.12	30,320.88	60.78%
Budgeted =	2006 Rent Building	-	-	-	
\$ 462,062.14	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	11,766.70	8,109.17	3,657.53	68.92%
(3,846.86)	CB Computer Equipment	-	-	-	
-0.83%	Total Strategy A.3.1.	462,062.14	369,867.40	92,194.74	80.05%
<i>Appropriated</i> A.3.2.	0.60 FTE's = 4.20 <u>Monitor Occupational Licensee Act.</u>				
Base Appr =	1001 Salaries and Wages	245,328.10	186,184.31	59,143.79	75.89%
\$ 303,586.00	1002 Other Personnel Cost	1,200.00	660.00	540.00	55.00%
Sup Appr =	2001 Prof Fees and Services	1,000.00	950.00	50.00	95.00%
\$ -	2003 Consumables	1,000.00	748.27	251.73	74.83%
Total Appr =	2004 Utilities	-	-	-	
\$ 303,586.00	2005 Travel	40,368.00	17,980.26	22,387.74	44.54%
Budgeted =	2006 Rent Building	-	-	-	
\$ 303,586.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	14,689.90	11,123.64	3,566.26	75.72%
\$ 0.00	CB Computer Equipment	-	-	-	
0.00%	Total Strategy A.3.2.	303,586.00	217,646.48	85,939.52	71.69%
<i>Appropriated</i> A.4.1.	0.20 FTE's = 3.20 <u>Inspect and Provide Emerg. Care</u>				
Base Appr =	1001 Salaries and Wages	131,800.08	120,816.74	10,983.34	91.67%
\$ 282,235.00	1002 Other Personnel Cost	3,360.00	3,080.00	280.00	91.67%
Sup Appr =	2001 Prof Fees and Services	130,700.00	76,269.41	54,430.59	58.35%
\$ -	2003 Consumables	500.00	964.57	(464.57)	192.91%
Total Appr =	2004 Utilities	-	-	-	
\$ 282,235.00	2005 Travel	38,085.00	7,211.92	30,873.08	18.94%
Budgeted =	2006 Rent Building	-	-	-	
\$ 311,722.08	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	7,277.00	3,158.33	4,118.67	43.40%
\$ 29,487.08	CB Computer Equipment	-	-	-	
10.45%	Total Strategy A.4.1.	311,722.08	211,500.97	100,221.11	67.85%

Texas Racing Commission

FYE 08/31/2020
Operating Budget Status
by LBB Expenditure Object/Codes

OBS-2

Strategy	Program Description	FY 2020 Annual Budget	FY 2020 Expended Thru 7/31/2020	FY 2020 Unexpended Bal 8/31/2020	With 91.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i> A.4.2.	- FTE's = 2.60 <u>Administer Drug Testing</u>				
Base Appr =	1001 Salaries and Wages	144,455.76	125,054.30	19,401.46	86.57%
\$ 206,721.00	1002 Other Personnel Cost	620.00	560.00	60.00	90.32%
Sup Appr =	2001 Prof Fees and Services	500.00	300.00	200.00	60.00%
\$ -	2003 Consumables	200.00	84.29	115.71	42.15%
Total Appr =	2004 Utilities	-	-	-	
\$ 206,721.00	2005 Travel	40,613.00	20,256.00	20,357.00	49.88%
Budgeted =	2006 Rent Building	-	-	-	
\$ 200,705.60	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	14,316.84	4,266.20	10,050.64	29.80%
\$ (6,015.40)	CB Computer Equipment	-	-	-	
-2.91%	Total	200,705.60	150,520.79	50,184.81	75.00%
<i>Appropriated</i> B.1.1.	- FTE's = 5.00 <u>Occupational Licensing</u>				
Base Appr =	1001 Salaries and Wages	186,483.84	170,943.52	15,540.32	91.67%
\$ 344,130.00	1002 Other Personnel Cost	4,760.00	5,979.50	(1,219.50)	125.62%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ -	2003 Consumables	2,500.00	1,415.84	1,084.16	56.63%
Total Appr =	2004 Utilities	-	-	-	
\$ 344,130.00	2005 Travel	14,600.00	10,937.78	3,662.22	74.92%
Budgeted =	2006 Rent Building	-	-	-	
\$ 321,141.10	2007 Rent Machine	2,000.00	1,695.48	304.52	84.77%
Difference	2009 Other Operating Cost	110,797.26	51,624.61	59,172.65	46.59%
\$ (22,988.90)	CB Computer Equipment	-	-	-	
-6.68%	Total	321,141.10	242,596.73	78,544.37	75.54%
<i>Appropriated</i> B.1.2.	- FTE's = 0 <u>Texas OnLine</u>				
Base Appr =	1001 Salaries and Wages	-	-	-	
\$ 17,500.00	1002 Other Personnel Cost	-	-	-	
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 17,500.00	2005 Travel	-	-	-	
Budgeted =	2006 Rent Building	-	-	-	
\$ 17,500.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	17,500.00	9,147.00	8,353.00	52.27%
\$ -	CB Computer Equipment	-	-	-	
0.00%	Total	17,500.00	9,147.00	8,353.00	52.27%
<i>Appropriated</i> C.1.1.	- FTE's = 4.00 <u>Monitor Wagering and Audit</u>				
Base Appr =	1001 Salaries and Wages	231,573.32	185,807.88	45,765.44	80.24%
\$ 260,794.00	1002 Other Personnel Cost	8,700.00	8,300.00	400.00	95.40%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 260,794.00	2005 Travel	4,631.88	3,116.08	1,515.80	67.27%
Budgeted =	2006 Rent Building	-	-	-	
\$ 260,378.80	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	15,473.60	9,297.03	6,176.57	60.08%
\$ (415.20)	CB Computer Equipment	-	-	-	
-0.16%	Total	260,378.80	206,520.99	53,857.81	79.32%

Texas Racing Commission

FYE 08/31/2020
Operating Budget Status
by LBB Expenditure Object/Codes

OBS-3

Strategy	Program Description	FY 2020 Annual Budget	FY 2020 Expended Thru 7/31/2020	FY 2020 Unexpended Bal 8/31/2020	With 91.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i> D.1.1.	1.00 FTE's = 7.00 <u>Central Administration</u>				
Base Appr =	1001 Salaries and Wages	429,055.44	351,946.89	77,108.55	82.03%
\$ 723,926.00	1002 Other Personnel Cost	7,600.00	13,158.98	(5,558.98)	173.14%
Sup Appr =	2001 Prof Fees and Services	40,500.00	24,055.95	16,444.05	59.40%
\$ -	2003 Consumables	8,000.00	9,371.75	(1,371.75)	117.15%
Total Appr =	2004 Utilities	51,000.00	42,360.05	8,639.95	83.06%
\$ 723,926.00	2005 Travel	8,000.00	2,234.62	5,765.38	27.93%
Budgeted =	2006 Rent Building	105,470.00	105,536.30	(66.30)	100.06%
\$ 740,715.87	2007 Rent Machine	2,700.00	3,378.07	(678.07)	125.11%
Difference	2009 Other Operating Cost	88,390.43	80,571.27	7,819.16	91.15%
\$ 16,789.87	CB Computer Equipment	-	-	-	
2.32%	Total Strategy D.1.1.	740,715.87	632,613.88	108,101.99	85.41%
<i>Appropriated</i> D.1.2.	- FTE's = 3.80 <u>Information Resources</u>				
Base Appr =	1001 Salaries and Wages	173,840.12	117,268.62	56,571.50	67.46%
\$ 546,788.00	1002 Other Personnel Cost	3,180.00	2,380.00	800.00	74.84%
Sup Appr =	2001 Prof Fees and Services	260,449.66	256,799.90	3,649.76	98.60%
\$ -	2003 Consumables	500.00	-	500.00	0.00%
Total Appr =	2004 Utilities	-	-	-	
\$ 546,788.00	2005 Travel	2,400.00	889.98	1,510.02	37.08%
Budgeted =	2006 Rent Building	500.00	40.00	460.00	8.00%
\$ 531,271.21	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	90,401.43	41,815.12	48,586.31	46.25%
\$ (15,516.79)	CB Computer Equipment	-	-	-	
-2.84%	Total Strategy D.1.2.	531,271.21	419,193.62	112,077.59	78.90%
<i>Appropriated</i> D.1.3.	FTE's = 39.30 <u>Other Support Services</u>				
Base Appr =	1001 Salaries and Wages	-	-	-	
\$ 3,525,217.00	1002 Other Personnel Cost	-	-	-	
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 3,525,217.00	2005 Travel	-	-	-	
Budgeted =	2006 Rent Building	-	-	-	
\$ 3,522,485.81	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	-	-	-	
\$ (2,731.19)	CB Computer Equipment	-	-	-	
-0.08%	Total Strategy D.1.3.	-	-	-	
\$ 3,525,217	Total M.O.F. (TXRC Acct. 597 & GR)	3,522,485.81	2,760,521.12	617,487.36	78.37%
	Total Regulatory Programs Operating Budget	3,522,485.81	2,760,521.12	617,487.36	78.37%

Texas Racing Commission

FYE 08/31/2020
Operating Budget Status
by LBB Expenditure Object/Codes

OBS-4

Strategy	Program Description	FY 2020 Annual Budget	FY 2020 Expended Thru 7/31/2020	FY 2020 Unexpended Bal 8/31/2020	With 91.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i>	1.75 FTE's = 39.30				
	<u>Direct Expense of Regulatory Programs</u>				
	1001 Salaries and Wages	2,216,758.06	1,800,011.48	416,746.58	81.20%
	1002 Other Personnel Cost	43,860.00	62,922.53	(19,062.53)	143.46%
	2001 Prof Fees and Services	478,664.66	394,886.51	83,778.15	82.50%
	2003 Consumables	12,700.00	12,584.72	115.28	99.09%
	2004 Utilities	51,000.00	42,360.05	8,639.95	83.06%
	2005 Travel	229,347.88	111,908.87	117,439.01	48.79%
	2006 Rent Building	105,970.00	105,576.30	393.70	99.63%
	2007 Rent Machine	4,700.00	5,073.55	(373.55)	107.95%
2009 Other Operating Cost	379,485.21	225,197.11	154,288.10	59.34%	
CB Computer Equipment	-	-	-	0.00%	
\$ 3,525,217	Total Direct Expense of Regulatory Program	3,522,485.81	2,760,521.12	761,964.69	78.37%
\$ 3,525,217	1.75 FTE's = 39.30 Total Direct Expense of All Programs	3,522,485.81	2,760,521.12	761,964.69	78.37%
<i>Un-Appropriated</i>	<u>Indirect Expense of All Programs</u>				
	OASI Match	169,581.99	137,974.47	31,607.52	81.36%
	Group Insurance	260,000.00	216,153.76	43,846.24	83.14%
	State Retirement	173,280.75	142,694.31	30,586.44	82.35%
	Benefit Replacement	2,053.72	2,053.72	-	100.00%
	ERS Retiree Insurance	414,000.00	385,606.85	28,393.15	93.14%
	SWCAP GR Reimburse	-	-	-	0.00%
	Unemployment Cost	-	1,639.50	(1,639.50)	0.00%
	Other	-	-	-	-
\$ 1,018,916	Total Indirect Expense of All Programs	1,018,916.46	886,122.61	132,793.85	86.97%
\$ 4,544,133	Total Direct and Indirect Expense of All Programs	4,541,402.28	3,646,643.73	894,758.55	80.30%

Source Of Funds	Agency Method Of Finance	FY 2020 Projected Revenue	FY 2020 Actual Revenue Thru 7/31/2020	N/A	With 91.7% of Year Lapsed % of Revenue Collected
	Regulatory Program MOF:				
Acct. 597	Cash Balance Carry Forward	\$ 99,635.59	\$ 99,635.59		n/a
Acct. 597	Live Race Day Fees	\$ -	\$ -		
Acct. 597	Simulcast Race Tax	\$ 2,568,224.11	\$ 1,713,841.60		66.73%
Acct. 597	Annual License Fees (Active & Inactive)	\$ 1,923,436.74	\$ 1,812,624.50		94.24%
Acct. 597	Supplemental Fees	\$ -	\$ 509,838.80		
Acct. 597	Occupational License Fees and Fines	\$ 555,750.00	\$ 725,023.00		130.46%
Acct. 597	Other Revenue	\$ 18,000.00	\$ 9,648.56		53.60%
Acct. 1	GR Funds	\$ -	\$ -		
	Total Regulatory Prgm. MOF	\$ 5,165,046.44	\$ 4,870,612.05		94.30%
All Sources	Total MOF	\$ 5,165,046.44	\$ 4,870,612.05		94.30%
MOF Estimated to Exceed or (Fall-Short of Covering) Direct & Indirect Expenses of Operating Budget		\$ 623,644.16	\$ 1,223,968.32		

HORSE INDUSTRY ESCROW ACCOUNT -- BREED REGISTRY FUNDS

Accounting of Fund Balance

Actual Account Balance (Less Grant Amounts)	NOTES
\$ 2,809,507.54	Balance as of Dec. 2019
\$ 887,075.18	Jan. 2020 Deposit to Acct.
\$ 888,803.13	Feb. 2020 Deposit to Acct.
\$ (1,439,110.00)	Feb. 2020 Disbursed from Acct.
\$ 881,297.56	Mar. 2020 Deposit to Acct.
\$ (79,780.00)	Apr. 2020 Disbursed from Acct.
\$ 426,864.12	Apr. 2020 Deposit to Acct.
\$ 426,864.12	May 2020 Deposit to Acct.
\$ (938,710.00)	Jun. 2020 Disbursed from Acct.
\$ 438,009.91	June 2020 Deposit to Acct.
\$ 428,140.66	July 2020 Deposit to Acct.
\$ (1,520,640.00)	Aug. 2020 Disbursed from Acct.
\$ (272,500.00)	Aug. 2020 Disbursed from Acct.
\$ (80,360.00)	Aug. 2020 Disbursed from Acct.
\$ (247,485.00)	Aug. 2020 Disbursed from Acct.
\$ 429,461.35	Aug. 2020 Deposit to Acct.
\$ 3,037,438.57	Current Actual Account Balance
\$ 1,964,445.00	Events Approved but not yet Disbursed
\$ 1,072,993.57	Balance Available after Deduction for Approved Events
\$ -	Events Pending Approval

Approved/Pending Amounts by Breed Registry	
Texas Arabian Breeders Association	
3.62%	\$236,970.00
Texas Paint Horse Association	
9.55%	\$625,000.00
Texas Quarter Horse Association	
51.58%	\$3,374,780.00
Texas Thoroughbred Association	
35.25%	\$2,306,280.00
TOTAL APPROVED/PENDING ALL BREED REGISTRIES	
100.00%	\$6,543,030.00

Total Number of Events Approved: 60

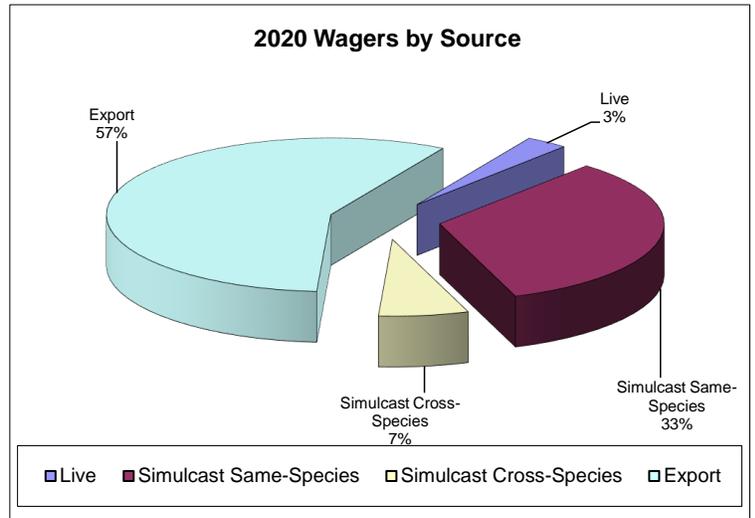
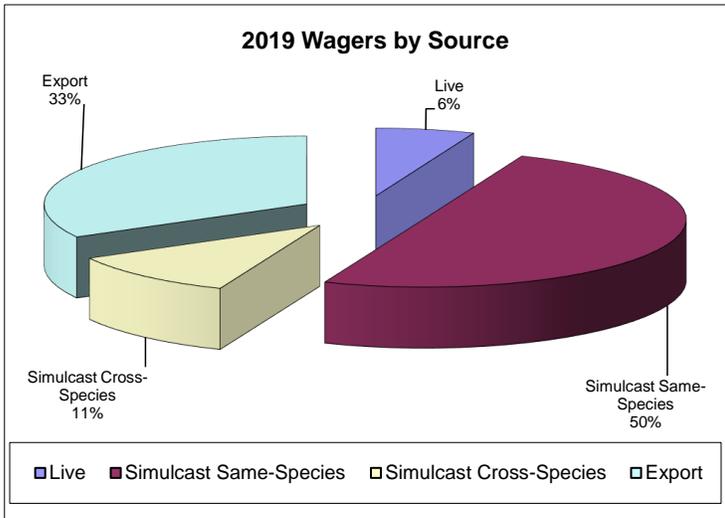
Total Number of Events Funded: 44

Total Number of Events Pending Funding: 16



Texas Pari-Mutuel Racetracks Wagering Statistics Comparison Report on Total Wagers Placed in Texas & on Texas Races For the Period of January 1 through July 31

	Year 2019			Year 2020			Percentage Change	
	# Days	Wagers (Handle)*		# Days	Wagers (Handle)*		Wagers (Handle)	
		Total	Average per day		Total	Average per day	Total	Average per day
Greyhound Racetracks								
Live	32	\$ 524,910	\$ 16,403	36	\$ 483,574	\$ 13,433	-7.87%	-18.11%
Simulcast Same-Species	543	\$ 12,665,744	\$ 23,325	250	\$ 5,487,642	\$ 21,951	-56.67%	-5.89%
Simulcast Cross-Species	543	\$ 10,030,368	\$ 18,472	250	\$ 4,377,574	\$ 17,510	-56.36%	-5.21%
Export	32	\$ 1,963,797	\$ 61,369	36	\$ 1,167,765	\$ 32,438	-40.54%	-47.14%
Total Wagers		\$ 25,184,819			\$ 11,516,555		-54.27%	
Horse Racetracks								
Live	107	\$ 14,948,086	\$ 139,702	81	\$ 6,168,168	\$ 76,150	-58.74%	-45.49%
Simulcast Same-Species	756	\$ 114,322,225	\$ 151,220	452	\$ 67,331,062	\$ 148,963	-41.10%	-1.49%
Simulcast Cross-Species	756	\$ 17,298,660	\$ 22,882	449	\$ 9,813,602	\$ 21,857	-43.27%	-4.48%
Export	103	\$ 81,871,393	\$ 794,868	77	\$ 124,728,330	\$ 1,619,848	52.35%	103.79%
Total Wagers		\$ 228,440,365			\$ 208,041,161		-8.93%	
All Racetracks								
Live	139	\$ 15,472,996	\$ 111,317	117	\$ 6,651,742	\$ 56,852	-57.01%	-48.93%
Simulcast Same-Species	1,299	\$ 126,987,969	\$ 97,758	702	\$ 72,818,704	\$ 103,730	-42.66%	6.11%
Simulcast Cross-Species	1,299	\$ 27,329,028	\$ 21,039	699	\$ 14,191,176	\$ 20,302	-48.07%	-3.50%
Export	135	\$ 83,835,191	\$ 621,001	113	\$ 125,896,095	\$ 1,114,125	50.17%	79.41%
Total Wagers		\$ 253,625,184			\$ 219,557,717		-13.43%	
Total Wagers Placed in Texas		\$ 169,789,993			\$ 93,661,622		-44.84%	
Total Wagers Placed on Texas Races		\$ 99,308,187			\$ 132,547,837		33.47%	



*NOTE: All figures are based on data available at the time the report was compiled and are subject to being audited and revised.

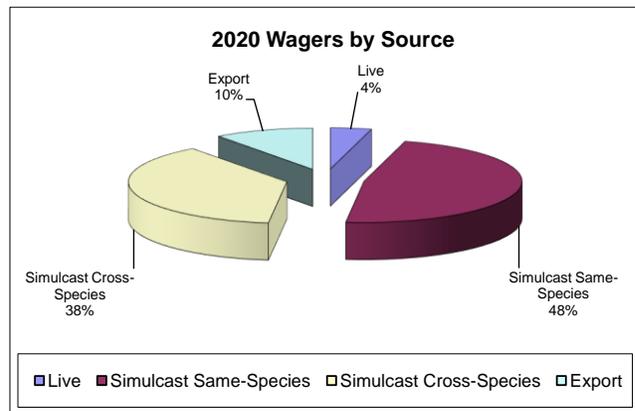
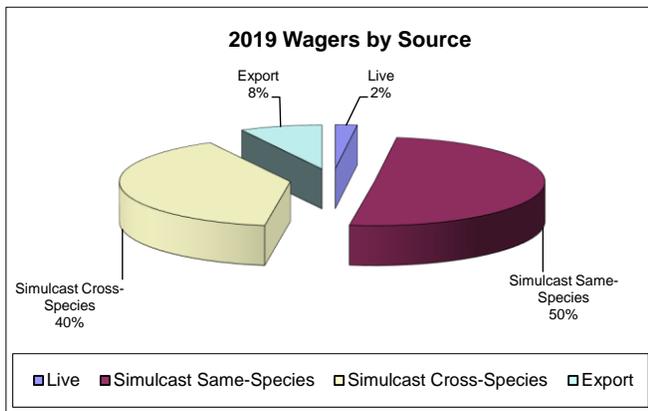
Due to COVID-19 Pandemic orders, all tracks ceased operations as of March 21, 2020. Lone Star Park reopened May 22, 2020, with Sam Houston Race Park following on June 3, 2020. All other tracks resumed operations on June 5, 2020. Valley Race Park has not yet reopened. Gulf Greyhound Park permanently ceased operations on June 30, 2020.



Greyhound Racetrack Wagering Statistics Comparison Report on Total Wagers Placed in Texas & on Texas Races

For the Period of January 1 through July 31

	Year 2019			Year 2020			Percentage Change	
	# Days	Wagers (Handle)*		# Days	Wagers (Handle)*		Wagers (Handle)	
Total		Average per day	Total		Average per day	Total	Average per day	
Gulf Coast Racing								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	151	\$ 4,397,297	\$ 29,121	87	\$ 2,324,344	\$ 26,717	-47.14%	-8.26%
Simulcast Cross-Species	151	\$ 2,421,265	\$ 16,035	87	\$ 1,269,264	\$ 14,589	-47.58%	-9.02%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Total Wagers		\$ 6,818,562			\$ 3,593,608		-47.30%	
Gulf Greyhound Park								
Live	32	\$ 524,910	\$ 16,403	36	\$ 483,574	\$ 13,433	-7.87%	-18.11%
Simulcast Same-Species	211	\$ 5,239,749	\$ 24,833	96	\$ 2,177,198	\$ 22,679	-58.45%	-8.67%
Simulcast Cross-Species	211	\$ 4,411,633	\$ 20,908	96	\$ 2,120,604	\$ 22,090	-51.93%	5.65%
Export	32	\$ 1,963,797	\$ 61,369	36	\$ 1,167,765	\$ 32,438	-40.54%	-47.14%
Total Wagers		\$ 12,140,089			\$ 5,949,140		-51.00%	
Valley Race Park								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	181	\$ 3,028,697	\$ 16,733	67	\$ 986,100	\$ 14,718	-67.44%	-12.04%
Simulcast Cross-Species	181	\$ 3,197,471	\$ 17,666	67	\$ 987,707	\$ 14,742	-69.11%	-16.55%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Total Wagers		\$ 6,226,168			\$ 1,973,807		-68.30%	
All Greyhound Tracks								
Live	32	\$ 524,910	\$ 16,403	36	\$ 483,574	\$ 13,433	-7.87%	-18.11%
Simulcast Same-Species	543	\$ 12,665,744	\$ 23,325	250	\$ 5,487,642	\$ 21,951	-56.67%	-5.89%
Simulcast Cross-Species	543	\$ 10,030,368	\$ 18,472	250	\$ 4,377,574	\$ 17,510	-56.36%	-5.21%
Export	32	\$ 1,963,797	\$ 61,369	36	\$ 1,167,765	\$ 32,438	-40.54%	-47.14%
Total Wagers		\$ 25,184,819			\$ 11,516,555		-54.27%	
Total Wagers Placed in Texas		\$ 23,221,022			\$ 10,348,791		-55.43%	
Total Wagers Placed on Texas Races		\$ 2,488,707			\$ 1,651,339		-33.65%	



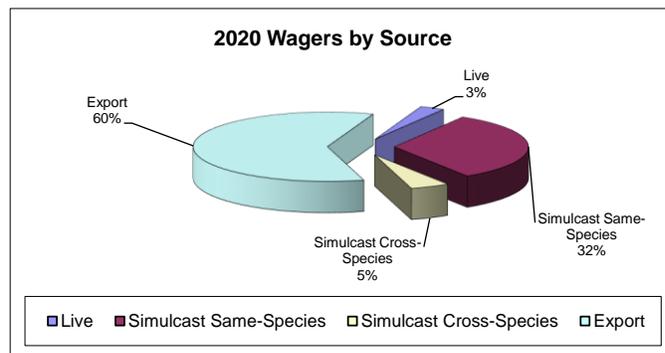
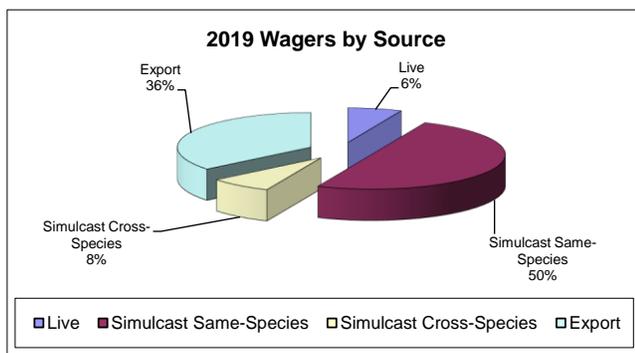
*NOTE: All figures are based on data available at the time the report was compiled and are subject to being audited and revised.

Due to COVID-19 Pandemic orders, all tracks ceased operations as of March 21, 2020. Lone Star Park reopened May 22, 2020, with Sam Houston Race Park following on June 3, 2020. All other tracks resumed operations on June 5, 2020. Valley Race Park has not yet reopened. Gulf Greyhound Park permanently ceased operations on June 30, 2020.



Horse Racetrack Wagering Statistics Comparison Report on Total Wagers Placed in Texas & on Texas Races For the Period of January 1 through July 31

	Year 2019			Year 2020			Percentage Change	
	# Days	Wagers (Handle)*		# Days	Wagers (Handle)*		Wagers (Handle)	
		Total	Average per day		Total	Average per day	Total	Average per day
Gillespie County Fair								
Live	4	\$ 521,927	\$ 130,482	4	\$ 351,293	\$ 87,823	-32.69%	-32.69%
Simulcast Same-Species	120	\$ 2,451,761	\$ 20,431	73	\$ 1,483,219	\$ 20,318	-39.50%	-0.55%
Simulcast Cross-Species	120	\$ 328,799	\$ 2,740	71	\$ 177,492	\$ 2,500	-46.02%	-8.76%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Total Wagers		\$ 3,302,487			\$ 2,012,004		-39.08%	
Lone Star Park								
Live	43	\$ 9,346,647	\$ 217,364	29	\$ 2,118,146	\$ 73,040	-77.34%	-66.40%
Simulcast Same-Species	212	\$ 58,684,898	\$ 276,816	147	\$ 36,824,869	\$ 250,509	-37.25%	-9.50%
Simulcast Cross-Species	212	\$ 4,566,093	\$ 21,538	146	\$ 3,076,986	\$ 21,075	-32.61%	-2.15%
Export	43	\$ 32,986,327	\$ 767,124	29	\$ 61,407,410	\$ 2,117,497	86.16%	176.03%
Total Wagers		\$ 105,583,965			\$ 103,427,411		-2.04%	
Retama Park								
Live	8	\$ 726,907	\$ 90,863	13	\$ 627,295	\$ 48,253	-13.70%	-46.89%
Simulcast Same-Species	212	\$ 18,726,093	\$ 88,331	117	\$ 10,125,004	\$ 86,538	-45.93%	-2.03%
Simulcast Cross-Species	212	\$ 3,166,126	\$ 14,935	117	\$ 1,811,570	\$ 15,484	-42.78%	3.68%
Export	8	\$ 2,871,985	\$ 358,998	13	\$ 4,976,204	\$ 382,785	73.27%	6.63%
Total Wagers		\$ 25,491,111			\$ 17,540,072		-31.19%	
Sam Houston Race Park								
Live	52	\$ 4,352,605	\$ 83,704	35	\$ 3,071,434	\$ 87,755	-29.43%	4.84%
Simulcast Same-Species	212	\$ 34,459,473	\$ 162,545	115	\$ 18,897,970	\$ 164,330	-45.16%	1.10%
Simulcast Cross-Species	212	\$ 9,237,642	\$ 43,574	115	\$ 4,747,553	\$ 41,283	-48.61%	-5.26%
Export	52	\$ 46,013,081	\$ 884,867	35	\$ 58,344,716	\$ 1,666,992	26.80%	88.39%
Total Wagers		\$ 94,062,802			\$ 85,061,674		-9.57%	
All Horse Tracks								
Live	107	\$ 14,948,086	\$ 139,702	81	\$ 6,168,168	\$ 76,150	-58.74%	-45.49%
Simulcast Same-Species	756	\$ 114,322,225	\$ 151,220	452	\$ 67,331,062	\$ 148,963	-41.10%	-1.49%
Simulcast Cross-Species	756	\$ 17,298,660	\$ 22,882	449	\$ 9,813,602	\$ 21,857	-43.27%	-4.48%
Export	103	\$ 81,871,393	\$ 794,868	77	\$ 124,728,330	\$ 1,619,848	52.35%	103.79%
Total Wagers		\$ 228,440,365			\$ 208,041,161		-8.93%	
Total Wagers Placed in Texas		\$ 146,568,971			\$ 83,312,832		-43.16%	
Total Wagers Placed on Texas Races		\$ 96,819,480			\$ 130,896,498		35.20%	



*NOTE: All figures are based on data available at the time the report was compiled and are subject to being audited and revised.

Due to COVID-19 Pandemic orders, all tracks ceased operations as of March 21, 2020. Lone Star Park reopened May 22, 2020, with Sam Houston Race Park following on June 3, 2020. All other tracks resumed operations on June 5, 2020. Valley Race Park has not yet reopened. Gulf Greyhound Park permanently ceased operations on June 30, 2020.

ENFORCEMENT ACTIVITY SUMMARY

Gillespie County Fair, Lone Star Park, and Retama Park all concluded their summer meets in August 2020.

Lone Star Park began its fall quarter horse meet on September 4th, 2020, and is scheduled to run through November 21st, 2020.

Gillespie County Fair – 2020 Meet

Rulings Activity from 07/04/2020 through 09/01/2020

Medication Violation* Class 4 *Phenylbutozone (3) *Flunixin (1)	4
TOTAL	4

Lone Star Park – Thoroughbred Meet

Rulings Activity from 05/22/2020 through 09/01/2020

Human Drug Violation	6
Contraband	1
Misc. Violations	1
TOTAL	8

Retama Park – Quarter Horse Meet

Rulings Activity from 07/03/2020 through 09/01/2020

Medication Violation* Class 3-B *Clenbuterol (2)	2
Human Drug Violation	1
Reciprocity	1
TOTAL	4

Does not include any rulings that have not been finalized through the appeals process.

III. GENERAL BUSINESS (cont.)

- B. Discussion and possible action to approve the Commission's Legislative Appropriations Request for FY 2022-23
- C. Discussion and possible action to approve the Commission's operating budget for FY 2021
- D. Discussion and possible action to approve memorandum of understanding with Texas Veterinary Medical Diagnostic Lab (TVMDL) for FY 2021



Texas Racing Commission
FY 2021
Proposed Operating Budget

Regulatory Operations Budget

Appropriated Regulatory Budget by Strategy		FY 2021			
		<u>Reduction</u>	<u>Proposed Budget</u>	<u>GAA</u>	
1.1.1	License/Regulate Racetracks	\$ 2,321	\$ 371,567	\$ 373,888	
1.3.1	Supervise & Conduct Live Races	\$ 5,226	\$ 461,323	\$ 466,549	
1.3.2	Monitor License Activities	\$ 4,500	\$ 299,086	\$ 303,586	
1.4.1	Inspect & Provide Emergency Care	\$ 6,500	\$ 276,075	\$ 282,575	
1.4.2	Administer Drug Test	\$ 2,361	\$ 203,545	\$ 205,906	
2.1.1	Occupational Licensing Program	\$ 27,000	\$ 317,329	\$ 344,329	
2.1.2	Texas On-Line	\$ -	\$ 17,000	\$ 17,000	
3.1.1	Monitor Wagering and Compliance	\$ 500	\$ 261,243	\$ 261,743	
4.1.1	Central Administration	\$ 2,000	\$ 734,266	\$ 736,266	
4.1.2	Information Resources	\$ 3,493	\$ 537,416	\$ 540,909	
Total Base Appropriation		\$ 53,901	\$ 3,478,850	\$ 3,532,751	<u>\$ 3,478,850</u>
Unappropriated Regulatory Budget by OOE					
	OASI Match		\$ 182,412		
	Group Insurance		\$ 265,000		
	State Retirement		\$ 187,466		
	Benefit Replacement		\$ 2,054		
	ERS Retiree Insurance		\$ 428,155		
	Unemployment Cost		\$ 17,000		
Total Unappropriated Regulatory Budget by OOE			\$ 1,082,087		<u>\$ 1,082,087</u>
Total Regulatory Budget					<u>\$ 4,560,937</u> *

*Total Expenditures of \$4,560,937.



Texas Racing Commission
 FY 2021
 Revenue of Proposed Operating Budget

				<u>Regulatory Operations Revenue</u>		
Beginning Cash Balance:						\$ 850,000
Rate	Annual Racetrack Fees:					
\$ 16,667	Class 1	Lone Star Park		\$ 200,000		
		Retama Park		\$ 200,000		
		Sam Houston Race Park		\$ 200,000		
		Sub-Total Class 1			\$ 600,000	
\$ 7,917	Class 2	Laredo Downs		\$ 95,000		
		Manor Downs		\$ 95,000		
		Valle de los Tesoros		\$ 95,000		
		Sub-Total Class 2			\$ 285,000	
\$ 2,083	Class 3	Gillespie County Fair		\$ 25,000		
		Sub-Total Class 3			\$ 25,000	
\$ 11,667	Greyhound	Gulf Coast Racing		\$ 140,000		
		Valley Race Park		\$ 140,000		
		Sub-Total Greyhound			\$ 280,000	
		Total Annual Racetrack Fees				\$ 1,190,000
	Other Revenue:					
		Occupational Licensing / Finger Print		\$ 595,250		
		Simulcast Tax		\$ 2,675,233		
		Other		\$ 23,867		
		Total Other Revenue				\$ 3,294,350
Cash Available to Fund Regulatory Budget						\$ 5,334,350
Less Total Regulatory Cost						\$ (4,560,937)
Ending Cash Balance:						\$ 773,413

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
TEXAS RACING COMMISSION
AND THE
TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY**

Pursuant to Tex. Occ. Code § 2034.002, the Drug Testing Laboratory of the Texas A&M Veterinary Medical Diagnostic Laboratory (TVMDL) is to provide drug testing services on race animals for the Texas Racing Commission (TxRC). TxRC and TVMDL enter into this Memorandum of Understanding to delineate the responsibilities of the parties in administering TxRC's drug testing program for race animals.

**I.
DEFINITIONS**

Association - A pari-mutuel racetrack licensed by TxRC under the Act to conduct horse or greyhound racing with pari-mutuel wagering

ELISA – Enzyme-linked immunosorbent assay ("immunoassay")

Equine sample – Blood and/or urine from the same horse collected during the same approximate time-frame (either pre-race or post-race)

Executive Director – the Executive Director for the TxRC or a designee of the Executive Director

GC/MS – Gas Chromatography-Mass Spectrometry

LC/MS – Liquid Chromatography-Mass Spectrometry

**II.
LABORATORY COVENANTS**

TVMDL agrees to:

1. Provide sufficient security to control access to the TVMDL Drug Testing Lab and to ensure only authorized persons handle samples or gain access to TVMDL processes or to areas where records and samples are stored.
2. Provide, with approval of the Executive Director of the TxRC, all supplies for the collection and shipment of samples, including sample jars, blood tubes, seals, labels, vacutainer sleeves, collection needles, and shipping containers. TVMDL will bill all costs associated with receiving, preparing, and shipping supplies, including but not limited to personnel time to prepare and package supplies, and shipping charges to the association the supplies are shipped to. On request by the TxRC, TVMDL shall provide documentation regarding any and all costs of supplies, including costs associated with preparing, packaging, and shipping supplies. TVMDL shall obtain approval from the Executive Director of the TxRC before changing supplies.

3. Inspect each shipment of samples on arrival at TVMDL for evidence of possible tampering. Any evidence of tampering shall be noted and reported to the Executive Director in writing.
4. Use chain-of-custody procedures to maintain control and accountability of samples at all stages, from receipt to final disposition.
5. Provide secured and appropriate storage conditions for samples while under custody at TVMDL.
6. Maintain and follow approved Standard Operating Procedures within the oversight of the TVMDL Quality Management System.
7. Provide testing for the presence of prohibited substances and controlled therapeutic medications on equine urine samples as follows:
 - a. Instrumental analysis, either LC/MS or GC/MS, on each equine urine sample.
 - b. Specific gravity determination on each equine urine sample.
 - c. Analyses for contemporary performance-enhancing (presumed or actual) drugs of notoriety by appropriate methods (LC/MS, GC/MS, or ELISA) as requested by TxRC.
 - d. Each sample with the presence of a controlled therapeutic medication, as published by TxRC, that exceeds the corresponding maximum permissible concentration shall be reported as positive and the quantitative level of the medication shall be reported to the TxRC.
8. Provide testing for the presence of prohibited substances and controlled therapeutic medications on equine blood samples as follows:
 - a. Furosemide LC/MS screening on each equine serum sample to ensure compliance with TxRC's Bleeders and Furosemide Program. Evidence of non-compliance will be reported to the TxRC. Report as positive for each sample in which the concentration of furosemide exceeded 100 ng/mL and a urine specific gravity of less than 1.010. Report as a letter of notification for each sample in which the concentration of furosemide exceeded 100 ng/mL of furosemide and a urine specific gravity of 1.010- 1.012 or no urine sample was submitted for testing. Report as a letter of notification for each sample in which the horse received furosemide treatment but furosemide was not detected in the sample. Report as a letter of notification for each sample in which the horse did not receive furosemide treatment but furosemide was detected in the sample.
 - b. Test for total carbon dioxide on samples of equine blood as requested by the TxRC. Each sample exceeding the maximum permissible level as published by TxRC shall be reported as positive to TxRC (to include reporting its quantitative level). Alternatively, TVMDL may recommend another laboratory to conduct testing for total carbon dioxide.
 - c. Instrumental analysis, either LC/MS or GC/MS, on each equine blood sample. Additionally, each equine blood sample will be extracted and screened independently by instrumental analysis for the presence of dimethyl sulfoxide (DMSO). Pooling of no more than 4 samples is permissible.

- d. Analyses for contemporary performance-enhancing (presumed or actual) drugs of notoriety by appropriate methods (LC/MS, GC/MS, or ELISA) as requested by TxRC.
 - e. Each sample with the presence of a controlled therapeutic medication, as published by TxRC, that exceeds the corresponding maximum permissible concentration shall be reported as positive and the quantitative level of the medication shall be reported to the TxRC.
9. Perform testing for beta-agonist drugs, including Clenbuterol, Albuterol, Ractopamine, Zilpaterol, and Bambuterol in equine hair samples by instrumental analysis as requested.
 10. Provide testing for the presence of prohibited substance(s) in canine urine samples. Testing shall be by instrumental analysis, LC/MS or GC/MS, on each canine urine sample, with an emphasis on drugs classified as Category I or II by the TxRC Greyhound Medication Classification.
 11. Perform confirmatory analysis on samples, whether equine or canine, blood or urine, when a suspicious finding is identified from screening. At least one definitive analytical technique should be employed for the confirmatory analysis (e.g., mass spectrometry).
 12. Perform tests as required by the Thoroughbred Owners and Breeders Association (TOBA) for substances in samples from horses that participated in graded stakes races and listed stakes races at the \$75,000 purse level or above.
 13. Expedite tests as requested for Quarter Horse trials with a goal of reporting test results to TxRC within five calendar days of receiving samples.
 14. Blood samples labeled as "Vet Work" will be screened by LC/MS for Non-steroidal anti-inflammatory drugs (NSAIDs), corticosteroids, or other drugs as requested. Results for Vet Work samples will be reported by Letter of Notification to the Director of Investigations within 120 hours of receipt.
 15. Biological samples other than blood and urine (e.g. ocular fluid) will be screened by LC/MS or GC/MS. Turn-around times will be dependent upon the extent of confirmatory testing in the event a sample is deemed suspect from initial screening, but will not exceed ten business days. These samples will be reported by Letter of Notification to the Director of Investigations.
 16. With prior approval, perform other testing as requested, utilizing the most effective or appropriate technology or platform.
 17. All tested samples shall be stored in secured and appropriate conditions before either disposal of or releasing to a third party (for various purposes). Minimum retention period for a negative sample is 5 calendar days after reporting. Minimum retention period for a positive sample is 1 year after reporting or until all legal proceedings concerning the sample are concluded (whichever is longer). Minimum retention period for all records is two years or until all legal proceedings concerning the sample are concluded (whichever is longer).
 18. Report negative result(s) to TxRC within 120 hours from sample receipt, if possible, by the method required by the Executive Director. Report positive result(s) to TxRC within three weeks of sample receipt. On request by the Executive Director, TVMDL shall make available

to TxRC a copy of the analytical results of any test conducted pursuant to this Memorandum of Understanding.

19. Provide qualified professional personnel to testify in an administrative hearing or other legal proceeding involving a test performed pursuant to this Memorandum of Understanding and participate in and assist with pretrial matters in those proceedings, such as interrogatories and depositions.
20. Notify the TxRC in writing at least 30 days before implementing any change in analytical procedures which in consequence alters the detection sensitivity for any substance classified as Category III, IV, or V in the TxRC Equine Medication Classification.
21. Participate in industry-recognized quality assurance programs.
22. Refrain from disclosing any information relating to a sample to any person other than one designated by TxRC to receive the information.
23. Maintain qualified staff with no financial interest in racehorses, racing greyhounds, or an association or any other conflict of interest within the racing industry. All laboratory personnel must be employees of the Texas A&M Veterinary Medical Diagnostic Laboratory, a member of the Texas A&M University System, and at all times be subject to the rules and policies of the A&M System, as promulgated by the Board of Regents of the A&M System or the TVMDL Director.
24. Consent to background investigation through the TxRC conducted by the Texas Department of Public Safety, including fingerprinting, of all TVMDL staff involved in drug testing.
25. Allow access by TxRC to all records of TVMDL that pertain to drug testing services performed pursuant to this Memorandum of Understanding.
26. Make reasonable efforts to collect payment from each association and notify the Executive Director of any charges that are unpaid 30 days after invoicing.
27. Notify the Executive Director, within 30 days of receipt, of all findings and recommendations made by the State Auditor, an internal auditor of the Texas A&M University System, or another auditor acting on behalf of or under contract with TVMDL or the Texas A&M University System regarding operations of the Drug Testing Laboratory of TVMDL, as they relate to this Memorandum of Understanding.

III.

COMMISSION COVENANTS

TxRC agrees to:

1. Supervise the sample collection site at each association to ensure the site has the necessary personnel, supplies, equipment, facilities, and supervision to provide for the identification of animals and humans and to collect, identify, secure, store, and ship each sample to TVMDL.
2. Submit urine and blood samples from approximately 2,600 horses per year. Submit approximately 50 canine urine samples per year. TxRC will make every effort to sample for

testing in the frequency of approximately 2.0 equine samples per horse race and 0.9 canine samples per greyhound race. If the number of racing performances changes during the calendar year, the number of specimens may be adjusted accordingly, and the TxRC Executive Director will notify the TVMDL Director as soon as practicable. If the number of equine urine and blood samples, canine urine samples, and/or racing performances decreases by more than 10% during the calendar year, TVMDL reserves the right to adjust test fees and will notify the TxRC Executive Director in writing at least 30 days before adjustments are made.

3. Require each association to deliver all samples to TVMDL in a secure manner, at the association's expense, in accordance with a delivery schedule approved by TVMDL.
4. Apprise and update TVMDL in a timely manner of all drugs on the permitted list and all changes in medication rules, practices, or procedures.
5. Participate in and fund an industry-recognized quality assurance program.
6. No later than 90 days before the anticipated opening of a racing facility, TxRC shall notify TVMDL in writing of the anticipated race dates for the facility and anticipated number of samples.
7. Employ enforcement measures necessary to ensure that the costs incurred by TVMDL for drug testing services pursuant to this Memorandum of Understanding are promptly paid by each association.

IV. COST OF SERVICES

Except as otherwise provided by this paragraph, TVMDL agrees to charge, and TxRC approves a per-animal charge of, \$215.00 for equine samples (for tests conducted pursuant to Article II, Sections 7 a, b, & d; 8 a, c, & e; 11 and 13, whether in blood, urine, or both) and \$45.00 for canine samples (pursuant to Article II, Sections 10 and 11). For tests conducted pursuant to Article II, Section 8b (total carbon dioxide), TVMDL agrees to charge and TxRC approves a per-sample charge of \$28.50, unless TVMDL recommends a different laboratory to conduct the testing for total carbon dioxide, in which case the charge shall be separately determined. For tests conducted pursuant to Article II, Sections 7c and 8d (contemporary performance-enhancing drugs of notoriety), TVMDL agrees to charge and TxRC approves a per-sample charge of \$13.50 (where an existing methodology exists) and a mutually agreed upon test development costs and subsequent per-sample charge (where a methodology must be developed). For tests conducted pursuant to Article II, Section 9 (beta-agonist drugs), TVMDL agrees to charge, and TxRC approves a per-sample charge of \$100.00. For tests conducted pursuant to Article II, Section 12 (TOBA tests), TVMDL agrees to charge, and TxRC approves a per-sample charge of \$350.00. For tests conducted pursuant to Article II, Section 14 (vet work), TVMDL agrees to charge, and TxRC approves a per-sample charge of \$80.00. For tests conducted pursuant to Article II, Section 15 (ocular fluid, etc.), TVMDL agrees to charge, and TxRC approves, a per-sample charge of \$55.00. For tests conducted pursuant to Article II, Section 16 (other testing as requested), TVMDL and TxRC will mutually agree on the per-sample charge depending on the methodology and platform employed for testing.

Pursuant to Tex. Occ. Code § 2034.003, the associations are responsible for payment of these charges.

**V.
EXECUTION**

The Parties agree to use due diligence in the exercise of their responsibilities as outlined in this Memorandum of Understanding. The term of this Memorandum of Understanding is from the date of Commission approval through August 31, 2021. To ensure the continuity of the drug testing program in pari-mutuel racing, all terms of this Memorandum of Understanding continue in effect until a new Memorandum of Understanding is executed, with the understanding that TVMDL reserves the right to adjust fees prior to execution of the new Memorandum of Understanding and will notify the TxRC Executive Director in writing at least 30 days before adjustments are made. If either Party determines that events have changed and significantly affected a material term of the Memorandum of Understanding, including but not limited to, the closing of a race track, or a significant increase in the cost of drug testing or testing supplies, the Parties may renegotiate the terms of this Memorandum of Understanding.

For the faithful performance of this agreement, this agreement is executed by the undersigned persons in their capacities described below. This agreement takes effect on the date of approval by the Commissioners of the Texas Racing Commission.

TEXAS RACING COMMISSION

Chuck Trout
Executive Director

Date

**TEXAS A&M VETERINARY MEDICAL
DIAGNOSTIC LABORATORY**

Bruce L. Akey, MS DVM
Director

Date

Approved as to form:

Devon Bijansky
TxRC General Counsel

Date

IV. PROCEEDINGS ON RULES

- A. Discussion and possible action to adopt amendments to the following rules proposed in the August 7, 2020, issue of the Texas Register:
 - 1. 16 TAC § 323.101, Administrative Penalties
 - 2. 16 TAC § 323.201, Reporting of Criminal Activity and Convictions
- B. Discussion and possible action to propose amendments to the following sections of the Rules of the Texas Racing Commission:
 - 1. 16 TAC § 309.8, Racetrack License Fees
 - 2. 16 TAC § 303.321, Allocations to Breed Registries
 - 3. 16 TAC § 303.323, Modifications to Approved Events

CHAPTER 323 DISCIPLINARY ACTION AND ENFORCEMENT
SUBCHAPTER B CIVIL REMEDIES

1 323.101, Administrative Penalties

2 (a) ~~[If the Commission determines that a person regulated under this Act has violated this~~
3 ~~Act or a rule or order adopted under this Act in a manner that constitutes a ground for a~~
4 ~~disciplinary action under this Act, the Commission may assess an administrative penalty~~
5 ~~against that person as provided by this section.~~

6 ~~(b)]~~ The Commission delegates to the executive secretary the authority to prepare and
7 issue preliminary reports pursuant to the Act, Chapter 2033, Subchapter B ~~[\S 15-03]~~.

8

9 **SUBCHAPTER C CRIMINAL ENFORCEMENT**

10 323.201 Reporting of Criminal Activity and Convictions

11 (a) A licensee, a Commission employee, or an applicant for a license from the Commission
12 shall report any conviction of a felony or misdemeanor, other than a misdemeanor under
13 ~~[Vernon's Texas Codes Annotated,]~~ Transportation Code, Title 7, Vehicles and Traffic, or a
14 similar misdemeanor traffic offense.

15 (b) A licensee, a Commission employee, or an applicant for a license from the Commission
16 shall promptly report to the Commission any criminal activity observed relating to racing or
17 pari-mutuel wagering.

CHAPTER 309 **RACETRACK LICENSES AND OPERATIONS**
SUBCHAPTER A **RACETRACK LICENSES**
SUBDIVISION 1 **GENERAL PROVISIONS**

309.8 Racetrack License Fees

(a) (No change.)

(b) Annual License Fee. A licensed racing association shall pay an annual license fee by remitting to the Commission 1/12th of the fee on the first business day of each month. The annual license fee for each license type is as follows:

- (1) for a Class 1 racetrack, \$223,530 [~~\$200,000~~];
- (2) for a Class 2 racetrack, \$106,176 [~~\$95,000~~];
- (3) for a Class 3 or 4 racetrack, \$27,941 [~~\$25,000~~]; and
- (4) for a Greyhound racetrack, \$156,471 [~~\$140,000~~].

(c) Adjustment of Fees.

(1) In the event that any racetrack license holder ceases to be licensed:

(A) the fees in subsection (b) of this section, as previously adjusted under paragraphs (c)(1) and (c)(2) of this section if applicable, shall be increased by the amount of the annual fee of the terminated license holder multiplied by the applicable fraction calculated as follows:

- (i) for a Class 1 license holder, the numerator is 100;
- (ii) for a Class 2 license holder, the numerator is 47.5;
- (iii) for a Class 3 or 4 license holder, the numerator is 12.5;
- (iv) for a Greyhound racetrack, the numerator is 70; and
- (v) the denominator is the sum of all the numerators assigned to each current

license holder as specified in **clauses paragraphs** (c)(1)(A)(i) through **(iv)** of this subparagraph above; and

(B) the fees in subsection (b) of this section as modified by subparagraph (c)(1)(A) of this section shall be increased on a one-time, pro rata basis as necessary so that the Commission does not lose any racetrack license fee revenue due to the termination of the license.

(2) In the event that a new racetrack license is issued, the fees in subsection (b) of this section, as previously adjusted under **this paragraph and paragraph (2) of this**

subsection paragraphs (c)(1) and (c)(2) of this section if applicable, shall be decreased by the amount of the annual fee of the new license holder multiplied by the applicable fraction calculated in accordance with subsections paragraphs (c)(1)(A)(i) through (v) of this section.

(3) If any of the adjustments imposed by this subsection cause the base annual license fee owed by any licensee to exceed the fee specified in subsection (b) of this section by more than 15%, the Commission shall undertake rulemaking to amend this section within 90 days after the Commission sends notice of the adjustment.

(4) [(1)] Annual fees are calculated using a projected base of 48 days of live horse racing per Class 1 racetrack, 8 days of live horse racing per Class 3 or 4 racetrack, and a total of 36 performances of live greyhound racing per fiscal year. If a Class 1 horse racetrack does not intend to use all of the race days allotted to it, it shall share the unused days with another Class 1 track, provided that the track receiving the unused days is not required to compensate the track sharing the days. To cover the additional regulatory cost in the event additional days or performances are requested by the associations, the executive secretary may:

(A) recalculate a horse racetrack's annual fee by adding an amount not to exceed \$5,345 for each live race day added beyond the base; and

(B) recalculate a greyhound racetrack's annual fee by adding \$750 for each live performance added beyond the base.

(5) [(2)] If the simulcast tax revenue collected in any quarter ending November 30, February 28 or 29, May 31, or August 31 is less than ~~[96 percent of]~~ the amount specified in subparagraphs (c)(5)(A) through (c)(5)(D) of this section, ~~[collected in the same period the year before,]~~ the fees in subsection (b) of this section shall be increased~~[, for the second month of the following quarter,]~~ on a one-time, pro rata basis in an amount sufficient to generate revenue in the amount of the difference between the amount of simulcast tax revenue collected in the quarter and the following amount: ~~[that is 96 percent of the amount collected in the same quarter the year before.]~~

(A) for a quarter ending November 30, \$599,620;

(B) for a quarter ending February 28 or 29, \$630,955;

(C) for a quarter ending May 31, \$750,560; and

(D) for a quarter ending August 31, \$688,090.

(6) Any fee increase owed by a racetrack license holder under paragraph (c)(5) of this section, as it existed on September 1, 2020 as paragraph (c)(2) of this section, for the period from September 1, 2020, through November 30, 2020, shall be due February 1, 2021. Any fee increase owed by a racetrack license holder under paragraph (c)(5) of this section for the period from December 1, 2020, through February 28, 2021, shall be calculated under **paragraph (c)(5)** of this section as it exists on January 1, 2021.

(7) Any fee increase imposed by this subsection shall be effective upon 30 days notice to the racetracks.

(8) [(3)] If the executive secretary determines that the total revenue from the annual fees exceeds the amount needed to pay its costs, the executive secretary shall order a moratorium on all or part of the license fees remitted monthly by any or all of the associations. Before entering a moratorium order, the executive secretary shall develop a formula for imposing the moratorium in an equitable manner among the associations. In developing the formula, the executive secretary shall consider the amount of excess revenue received by the Commission, the source of the revenue, the Commission's costs associated with regulating each association, the Commission's projected receipts for the next fiscal year, and the Commission's projected expenses during the next fiscal year.

CHAPTER 303
SUBCHAPTER G
DIVISION 3

GENERAL PROVISIONS
HORSE INDUSTRY ESCROW ACCOUNT
BREED REGISTRIES

303.321 Allocations to Breed Registries

(a) – (f) (No change.)

(g) For any request for allocation that does not exceed \$50,000, the executive director may act on behalf of the Commission to approve the request or may forward it to the Commission for consideration.

303.323 Modifications to Approved Events

(a) A breed registry seeking to make a modification to the date, description, or budget for an event for which funds have been allocated from the horse industry escrow account shall submit a request to:

(1) the executive director for [~~changes to one or more of the following~~]:

(A) a change to an event that, after the change, would qualify for approval by the executive director; or

(B) for an event that does not qualify for approval by the executive director, a change to one or more of the following:

(i) the date, if the proposed new date is within six months of the original date;

(ii) [~~(B)~~] the description, if the change does not materially change the nature or scope of the event; or

(iii) [~~(C)~~] the budget, if the proposed new budget is within ten percent of the original budget for the event; or

(2) the Commission, for all other changes.

(b) The request must explain the proposed change, the reason for the change, and the anticipated economic impact of the event as modified on the horse industry.

(c) The executive director may approve or deny a change requested under subsection (a)(1) of this section or may forward the request to the Commission for consideration. Upon request by the breed registry, a request for modification that was denied by the executive director shall be forwarded to the Commission for consideration.

V. PROCEEDINGS ON RACETRACKS

- A. Discussion and possible action to allocate live race dates for horse racetracks under 16 TAC § 303.41 for the period from January 1, 2021, through August 31, 2022
- B. Discussion and possible action to allocate live race dates for greyhound racetracks under 16 TAC § 303.41 for the period from January 1, 2021, through August 31, 2022



September 14, 2020

SENT VIA ELECTRONIC MAIL

Chuck Trout
Executive Director
Texas Racing Commission
8405 Cross Park Dr. #110
Austin, TX 78754

Dear Mr. Trout:

After meeting with representatives of Retama Park, the Texas Horsemen's Partnership and the Texas Thoroughbred Association, Sam Houston Race Park is requesting to add seven (7) dates to our 2021 Thoroughbred meet. These seven (7) dates represent half of the fourteen (14) Thoroughbred dates that were originally anticipated to be run at Retama Park.

If approved, this would increase Sam Houston Race Park's 2021 Thoroughbred Meet from 39 to 46 total dates. Also attached is an amended calendar reflecting these additional requested dates.

We ask for this item to be included at the TxRC Meeting scheduled on September 29, 2020. Approval is necessary for our Condition Book to be written and distributed in early October.

Please let me know if you have any questions or comments.

Sincerely,

Dwight Berube
Vice President/ General Manager
Sam Houston Race Park, LLC
(281) 807-8827

Attachments

CC: Frank Hopf (SHRP)
Devon Bijansky (TxRC)
Ricky Walker (TxRC)

SAM HOUSTON RACE PARK LTD.

7575 North Sam Houston Parkway West, Houston, TX, 77064 • 281.807.8700 • shrp.com

T E X A S R A C I N G C O M M I S S I O N
REQUEST FOR PERFORMANCES
HORSE RACETRACKS

January 1, 2021 – December 31, 2021

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on August 31, 2020. For safety, please submit by fax or email. For your convenience, the prescribed application forms are attached.

I. Schedule Requested

Name of Racetrack: Sam Houston Race Park

<u>First Meet</u>	Opening Day: 1/8/2021	Closing Day: 4/3/2021
Meet Type: <input checked="" type="checkbox"/> TB <input type="checkbox"/> QH <input type="checkbox"/> MX		Total Number of Race Days 39
<input type="checkbox"/> Thoroughbred	# of Races Per Day 9.5	Projected Purse Per Day ~\$235,000
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$_____
<input type="checkbox"/> Arabian	# of Races Per Day .5	Projected Purse Per Day ~\$5,000
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$_____
Totals	# of Races Per Day 10	Projected Purse Per Day ~\$240,000

<u>Second Meet</u>	Opening Day: 4/23/2021	Closing Day: 6/12/2021
Meet Type: <input type="checkbox"/> TB <input checked="" type="checkbox"/> QH <input type="checkbox"/> MX		Total Number of Race Days 23
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$_____
<input type="checkbox"/> Quarter Horse	# of Races Per Day 10	Projected Purse/Day \$150k-\$225k
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$_____
<input type="checkbox"/> Paint Horse	# of Races Per Day .5	Projected Purse Per Day ~\$5,000
Totals	# of Races Per Day 10.5	Projected Purse/Day \$155k-\$230k

Third Meet Opening Day: ___/___/___ Closing Day: ___/___/___

Meet Type: TB QH MX Total Number of Race Days _____

Thoroughbred # of Races Per Day _____ Projected Purse Per Day \$ _____

Quarter Horse # of Races Per Day _____ Projected Purse Per Day \$ _____

Arabian # of Races Per Day _____ Projected Purse Per Day \$ _____

Paint Horse # of Races Per Day _____ Projected Purse Per Day \$ _____

 Totals # of Races Per Day _____ Projected Purse Per Day \$ _____

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2021 will be allocated among the various breeds:

Appaloosa	1%	Arabian	2%	Paint	1%
Quarter Horse	38%	Thoroughbred	58%		

Check all that apply:

- Attached are letters from the affected breed registries that have agreed to this allocation.
- The Thoroughbred, Quarter Horse, Paint/ Appalossa and Arabian breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

August 2020	Marsha Rountree, THP/ HBPA
August 2020	Mary Ruyle, TTA
August 2020	Rob Werstler, TQHA
August 2020	Ed Wilson, TABA
August 2020	Lex Smurthwaite, TPHBA

III. Dates Requested

Indicate on the attached calendar each live race date requested with a "T" (Thoroughbred), "QH" (Quarter Horse), or "M" (Mixed). Include standard post time in space provided on calendar. Any exceptions, such as holidays, should be noted.

IV. Charity Days

A Class 1 or Class 2 racetrack shall conduct at least two and not more than five charity race days each year. The association shall pay to the charity at least 2% of the total pari-mutuel handle generated at the racetrack on the charity race day. At least one of the charity days must be conducted for a charity that directly benefits the persons who work in the stable or kennel area of the racetrack. At least one of the charity days must be conducted for a charity that primarily benefits research into the health or safety of race animals.

Indicate which days are designated as charity days:

- Day 1: January 14, 2021
- Day 2: April 29, 2021
- Day 3 (Optional): _____
- Day 4 (Optional): _____
- Day 5 (Optional): _____

Identify the charities:

REQUIRED BY RULE

- (1) A charity that directly benefits the persons who work on the backside:

Day 1 Charity: Race Track Chaplaincy of Sam Houston Race Park

- (2) A charity that primarily benefits research into the health or safety of race animals:

Day 2 Charity: LOPE of Texas

OPTIONAL CHARITY DAYS

Day 3 Charity: _____
(Name of Charity)

Day 4 Charity: _____
(Name of Charity)

Day 5 Charity: _____
(Name of Charity)

For each charity listed, attach the following information:

1. The name of the charity;
2. the name and address of each individual who serves as an officer or director of the charity or who owns an interest in the charity of 5.0% or more;
3. a brief description of the activities or purposes of the charity; and
4. a copy of an Internal Revenue Service letter of determination that qualifies the charity as an exempt organization for purposes of federal income tax.

V. Coordination of Request

To facilitate the Commission's consideration of each association's request, please indicate below the association's coordination efforts and the letters of support as appropriate.

	Affected?		Letter of Support Attached?		
	Yes	No	Yes	No	N/A
<u>Racetrack</u>					
Gillespie County Fair & Festivals Association	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lone Star Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retama Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	Letter of Support Attached?		
	Yes	No	N/A
<u>Horsemen's Organization</u>			
Texas Horsemen's Partnership	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Texas Thoroughbred Association	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Texas Arabian Breeders' Association	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Texas Quarter Horse Association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Texas Paint Horse Breeders' Association	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Sam Houston Race Park

Requested Performances for 2021

January						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 New Year's Day	2
3	4	5	6	7	8 TB-1 6:45pm	9 TB-2 6:45pm
10	11	12	13	14 TB-3 4:00pm	15 TB-4 6:45pm	16 TB-5 6:45pm
17	18 Martin Luther King Jr. Day	19	20	21 TB-6 4:00pm	22 TB-7 6:45pm	23 TB-8 6:45pm
24	25	26	27	28 TB-9 4:00pm	29 TB-10 6:45pm	30 TB-11 6:45pm
31 TB-12 2:00pm						

February						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 TB-13 4:00pm	5 TB-14 6:45pm	6 TB-15 6:45pm
7	8	9	10	11 TB-16 4:00pm	12 TB-17 6:45pm	13 TB-18 6:45pm
14	15	16	17	18 TB-19 4:00pm	19 TB-20 6:45pm	20 TB-21 6:45pm
21	22 President's Day	23	24	25 TB-22 4:00pm	26 TB-23 6:45pm	27 TB-24 6:45pm
28						

March						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 TB-25 4:00pm	5 TB-26 6:45pm	6 TB-27 6:45pm
7	8	9	10	11 TB-28 4:00pm	12 TB-29 6:45pm	13 TB-30 6:45pm
14	15	16	17	18 TB-31 4:00pm	19 TB-32 6:45pm	20 TB-33 6:45pm
21	22	23	24	25 TB-34 4:00pm	26 TB-35 6:45pm	27 TB-36 6:45pm
28	29	30	31			

April						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 TB-37 4:00pm	2 TB-38 6:45pm	3 TB-39 6:45pm
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23 QH-1 6:45pm	24 QH-2 6:45pm
25	26	27	28	29 QH-3 4:00pm	30 QH-4 6:45pm	

May						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 QH-5 1:00pm
2	3	4	5	6 QH-6 4:00pm	7 QH-7 6:45pm	8 QH-8 6:45pm
9 Mother's Day	10	11	12	13 QH-9 4:00pm	14 QH-10 6:45pm	15 QH-11 1:00pm
16	17	18	19	20 QH-12 4:00pm	21 QH-13 6:45pm	22 QH-14 6:45pm
23	24 Memorial Day	25	26	27 QH-15 4:00pm	28 QH-16 6:45pm	29 QH-17 6:45pm
30	31					

June						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3 QH-18 4:00pm	4 QH-19 6:45pm	5 QH-20 1:00pm
6	7	8	9	10 QH-21 4:00pm	11 QH-22 6:45pm	12 QH-23 6:45pm
13	14	15	16	17	18	19
20 Father's Day	21	22	23	24	25	26
27	28	29	30			

Sam Houston Race Park

Requested Performances for 2021

January						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 New Year's Day	2
3	4	5	6	7	8 TB-1 6:45pm	9 TB-2 6:45pm
10	11	12	13	14 TB-3 4:00pm	15 TB-4 6:45pm	16 TB-5 6:45pm
17	18 Martin Luther King Jr. Day	19	20	21 TB-6 4:00pm	22 TB-7 6:45pm	23 TB-8 6:45pm
24	25	26	27	28 TB-9 4:00pm	29 TB-10 6:45pm	30 TB-11 6:45pm
31 TB-12 2:00pm						

February						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 TB-13 4:00pm	5 TB-14 6:45pm	6 TB-15 6:45pm
7	8	9	10 TB-16* 12:00pm	11 TB-17 4:00pm	12 TB-18 6:45pm	13 TB-19 6:45pm
14	15	16	17 TB-20* 12:00pm	18 TB-21 4:00pm	19 TB-22 6:45pm	20 TB-23 6:45pm
21	22 President's Day	23	24 TB-24* 12:00pm	25 TB-25 4:00pm	26 TB-26 6:45pm	27 TB-27 6:45pm
28						

March						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3 TB-28* 12:00pm	4 TB-29 4:00pm	5 TB-30 6:45pm	6 TB-31 6:45pm
7	8	9	10 TB-32* 12:00pm	11 TB-33 4:00pm	12 TB-34 6:45pm	13 TB-35 6:45pm
14	15	16	17 TB-36* 12:00pm	18 TB-37 4:00pm	19 TB-38 6:45pm	20 TB-39 6:45pm
21	22	23	24 TB-40* 12:00pm	25 TB-41 4:00pm	26 TB-42 6:45pm	27 TB-43 6:45pm
28	29	30	31			

April						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 TB-44 4:00pm	2 TB-45 6:45pm	3 TB-46 6:45pm
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23 QH-1 6:45pm	24 QH-2 6:45pm
25	26	27	28	29 QH-3 4:00pm	30 QH-4 6:45pm	

May						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 QH-5 1:00pm
2	3	4	5	6 QH-6 4:00pm	7 QH-7 6:45pm	8 QH-8 6:45pm
9 Mother's Day	10	11	12	13 QH-9 4:00pm	14 QH-10 6:45pm	15 QH-11 1:00pm
16	17	18	19	20 QH-12 4:00pm	21 QH-13 6:45pm	22 QH-14 6:45pm
23	24 Memorial Day	25	26	27 QH-15 4:00pm	28 QH-16 6:45pm	29 QH-17 6:45pm
30	31					

June						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3 QH-18 4:00pm	4 QH-19 6:45pm	5 QH-20 1:00pm
6	7	8	9	10 QH-21 4:00pm	11 QH-22 6:45pm	12 QH-23 6:45pm
13	14	15	16	17	18	19
20 Father's Day	21	22	23	24	25	26
27	28	29	30			



TEXAS
HORSEMEN'S
PARTNERSHIP

Mr. Dwight Berube
Vice-President, General Manager
Sam Houston Race Park
7575 N. Sam Houston Pkwy. West
Houston, TX 77064

Dear Dwight-

Texas Horsemen's Partnership supports Sam Houston Race Park's request to amend their 2021 race calendar to add seven additional days of thoroughbred racing. This represents seven days of racing that will not be run at Retama Park in 2021, and we support and authorize the use of the corresponding thoroughbred purse money that will be available in the Retama Park thoroughbred purse account.

We appreciate your willingness to offer the additional racing opportunities to our members and look forward to a great meet next year.

Sincerely,

Marsha Rountree
Executive Director
Texas Horsemen's Partnership, LLP



September 22, 2020

Chuck Trout
Executive Director
Texas Racing Commission
8505 Cross Park Drive, Ste 110
Austin, TX 78754

Dear Mr. Trout,

The Texas Thoroughbred Association fully supports Sam Houston Race Park's request to increase their 2021 Thoroughbred meet from 39 to 46 total dates.

Their willingness to run these extra dates is most appreciated, and we look forward to working with them to achieve a successful meet for all involved.

Respectfully,

Mary Ruyle
Executive Director



August 31, 2020

Chuck Trout
Executive Director
Texas Racing Commission
8505 Cross Park Drive, Ste 110
Austin, TX 78754

Dear Mr. Trout,

We are in support of Sam Houston Race Park's request for a 39-day Thoroughbred meet to be conducted in 2021.

Respectfully,

Mary Ruyle
Executive Director



T.A.B.A. Texas Arabian Breeders Association

Ed Wilson, President
P.O. Box 215
Fomey, Texas 75126
(214) 564-9430
fax (214) 552-3613

Mr. Chuck Trout
Executive Secretary
Texas Racing Commission

Dear Mr. Trout

The Texas Arabian Breeders Association supports the recommended race dates submitted by Sam Houston Race Park for the 2021 race meet.

Yours truly,

Ed Wilson
President
Texas Arabian Breeders Association



September 22, 2020

Chuck Trout
Executive Director
Texas Racing Commission
PO Box 12080
Austin, TX 78711

Dear Mr. Trout,

This letter is in response to the race date applications submitted by Lone Star Park, Retama Park and Sam Houston Race Park.

We support the race days that were provided for review. We also support each track if they consider adding race days as additional purse funds become available.

We look forward to working with all parties involved to ensure successful Paint Horse racing in Texas.

Sincerely,

Lex Smurthwaite
Executive Secretary
Texas Paint Horse Breeders Association
Fort Worth, TX 76161
(817) 781-5980

Lone Star Park

2021

Thoroughbred -- 42 days over 14 weeks -- Quarterhorse 27 days over 13 weeks

January						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
						8

July						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
						6

October						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						11

February						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

May						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					15

August						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				
						9

March						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			
						12

September						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		
						7

December						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

STAKES RACES

**TEXAS RACING COMMISSION
REQUEST FOR PERFORMANCES
HORSE RACETRACKS**

January 1, 2021 – December 31, 2021

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on August 31, 2020. For safety, please submit by fax or email. For your convenience, the prescribed application forms are attached.

I. Schedule Requested

Name of Racetrack: Lone Star Park

First Meet	Opening Day: <u>4/15/21</u>	Closing Day: <u>7/11/21</u>
Meet Type: <input checked="" type="checkbox"/> TB <input type="checkbox"/> QH <input type="checkbox"/> MX		Total Number of Race Days <u>42</u>
<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>8-12</u>	Projected Purse Per Day \$ <u>225,000⁰⁰</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day <u>8-12</u>	Projected Purse Per Day \$ <u>225,000⁰⁰</u>

Second Meet	Opening Day: <u>9/10/21</u>	Closing Day: <u>11/27/21</u>
Meet Type: <input type="checkbox"/> TB <input type="checkbox"/> QH <input checked="" type="checkbox"/> MX		Total Number of Race Days <u>27</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day <u>8-12</u>	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Arabian	# of Races Per Day <u><1</u>	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Paint Horse	# of Races Per Day <u><1</u>	Projected Purse Per Day \$ _____
Totals	# of Races Per Day <u>8-12</u>	Projected Purse Per Day \$ <u>225,000⁰⁰</u>

Third Meet

Opening Day: ___/___/___

Closing Day: ___/___/___

Meet Type: TB QH MX

Total Number of Race Days _____

Thoroughbred # of Races Per Day _____

Projected Purse Per Day \$ _____

Quarter Horse # of Races Per Day _____

Projected Purse Per Day \$ _____

Arabian # of Races Per Day _____

Projected Purse Per Day \$ _____

Paint Horse # of Races Per Day _____

Projected Purse Per Day \$ _____

Totals # of Races Per Day _____

Projected Purse Per Day \$ _____

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2021 will be allocated among the various breeds:

Appaloosa	<u>.6</u> %	Arabian	<u>1.5</u> %	Paint	___ %
Quarter Horse	<u>30</u> %	Thoroughbred	<u>67</u> %		

Check all that apply:

- Attached are letters from the affected breed registries that have agreed to this allocation.
- The _____ breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

_____/_____/_____

_____/_____/_____

_____/_____/_____

_____/_____/_____

_____/_____/_____

III. Dates Requested

Indicate on the attached calendar each live race date requested with a "T" (Thoroughbred), "QH" (Quarter Horse), or "M" (Mixed). Include standard post time in space provided on calendar. Any exceptions, such as holidays, should be noted.

IV. Charity Days

A Class 1 or Class 2 racetrack shall conduct at least two and not more than five charity race days each year. The association shall pay to the charity at least 2% of the total pari-mutuel handle generated at the racetrack on the charity race day. At least one of the charity days must be conducted for a charity that directly benefits the persons who work in the stable or kennel area of the racetrack. At least one of the charity days must be conducted for a charity that primarily benefits research into the health or safety of race animals.

Indicate which days are designated as charity days:

Day 1: 10-14-21

Day 2: 11-11-21

Day 3 (Optional): 9-16-21

Day 4 (Optional): _____

Day 5 (Optional): _____

Identify the charities:

REQUIRED BY RULE

(1) A charity that directly benefits the persons who work on the backside:

Day 1 Charity: Race Track Chaplaincy of Texas
(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:

Day 2 Charity: Texas A+M Equine
(Name of Charity)

OPTIONAL CHARITY DAYS

Day 3 Charity: Grand Prairie Independent School District
 (Name of Charity)

Day 4 Charity: _____
 (Name of Charity)

Day 5 Charity: _____
 (Name of Charity)

For each charity listed, attach the following information:

1. The name of the charity;
2. the name and address of each individual who serves as an officer or director of the charity or who owns an interest in the charity of 5.0% or more;
3. a brief description of the activities or purposes of the charity; and
4. a copy of an Internal Revenue Service letter of determination that qualifies the charity as an exempt organization for purposes of federal income tax.

V. Coordination of Request

To facilitate the Commission's consideration of each association's request, please indicate below the association's coordination efforts and the letters of support as appropriate.

	Affected?		Letter of Support Attached?		
	Yes	No	Yes	No	N/A
<u>Racetrack</u>					
Gillespie County Fair & Festivals Association	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laredo Downs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lone Star Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manor Downs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retama Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sam Houston Race Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valle de los Tesoros	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Letter of Support Attached?		
	Yes	No	N/A
<u>Horsemen's Organization</u>			
Texas Horsemen's Partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



T E X A S
H O R S E M E N ' S
P A R T N E R S H I P

September 20, 2020

via email

Mr. Chuck Trout
Texas Racing Commission
P.O. Box 12080
Austin, TX 78711

Dear Chuck:

The Texas Horsemen's Partnership would like to offer its support for Lone Star Park's 2021 race date application.

While a forty-two day thoroughbred meet falls short of our expectations, we are hopeful that Lone Star will agree to amend its request at a later date, to expand its meet to include some days that are being lost at Retama Park.

As always, please let me know if you have any questions or concerns.

Sincerely,

Marsha Rountree
Executive Director
Texas Horsemen's Partnership, LLP



September 22, 2020

Tony Patterson, Racing Secretary
Lone Star Park at Grand Prairie
1000 Lone Star Parkway
Grand Prairie, TX 75050

Dear Tony,

The Texas Thoroughbred Association cannot support any race day request for Lone Star Park that consists of less than 49 days and does not provide for 4-day-a-week racing.

Further, your request indicates live racing starting on April 16th after the conclusion of the Thoroughbred Meet at Sam Houston Race Park on April 3rd. We believe that postponing your start date to April 23rd would allow for a safe transition between tracks.

We hope that Lone Star will see fit to request additional days and to adjust their racing calendar as necessary for the benefit of all horsemen racing in Texas.

Sincerely,

A handwritten signature in cursive script that reads "Mary Ruyke".

Executive Director

Texas Thoroughbred Association
192 Cimarron Park Loop, Suite A
Buda, Texas 78610



September 22, 2020

Chuck Trout
Executive Director
Texas Racing Commission
PO Box 12080
Austin, TX 78711

Dear Mr. Trout,

This letter is in response to the race date applications submitted by Lone Star Park, Retama Park and Sam Houston Race Park.

We support the race days that were provided for review. We also support each track if they consider adding race days as additional purse funds become available.

We look forward to working with all parties involved to ensure successful Paint Horse racing in Texas.

Sincerely,

Lex Smurthwaite
Executive Secretary
Texas Paint Horse Breeders Association
Fort Worth, TX 76161
(817) 781-5980



T.A.B.A. Texas Arabian Breeders Association

Ed Wilson, President
P.O. Box 215
Forney, Texas 75126
(214) 564-9430
fax (214) 552-3613

Mr. Chuck Trout
Executive Secretary
Texas Racing Commission

Dear Mr. Trout

The Texas Arabian Breeders Association supports the recommended race dates submitted by Lone Star Park for the 2021 race meet.

Yours truly,

Ed Wilson
President
Texas Arabian Breeders Association



September 10, 2020

Chuck Trout
Executive Director
Texas Racing Commission
P.O. Box 12080
Austin, Texas 78711

Dear Chuck,

The Texas Quarter Horse Association is in full support of the 2021 Lone Star Park race dates application.

Sincerely,

Rob Werstler
Director of Racing

A handwritten signature in black ink that reads 'Rob Werstler'. The signature is written in a cursive style with a large, looping 'R' and 'W'.

Revised wed 9/2/20

Retama Park

Requested Performances for 2021

June						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20 Father's Day	21	22	23	24 QH 6:45	25 QH 6:45	26 QH 6:45
27	28	29	30			

July						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 QH 6:45	2 QH 6:45	3 QH 6:45
4 Independence Day	5	6	7	8 QH 6:45	9 QH 6:45	10 QH 6:45
11	12	13	14	15 QH 6:45	16 QH 6:45	17
18	19	20	21	22 QH 6:45	23 QH 6:45	24 QH 6:45
25	26	27	28	29 QH 6:45	30 QH 6:45	31 QH 6:45

August						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5 QH 6:45	6 QH 6:45	7 QH 6:45
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

T E X A S R A C I N G C O M M I S S I O N
REQUEST FOR PERFORMANCES
HORSE RACETRACKS

January 1, 2021 – December 31, 2021

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on August 31, 2020. For safety, please submit by fax or email. For your convenience, the prescribed application forms are attached.

I. Schedule Requested

Name of Racetrack: **Retama Park**

<u>First Meet</u>	Opening Day: <u>7/01/2021</u>	Closing Day: <u>8/14/2021</u>
Meet Type: <input checked="" type="checkbox"/> QH		Total Number of Race Days <u>20</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day	Projected Purse Per Day
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day <u>9.9</u>	Projected Purse Per Day \$150,000
<input type="checkbox"/> Arabian	# of Races Per Day <u> </u>	Projected Purse Per Day
<input checked="" type="checkbox"/> Paint Horse	# of Races Per Day <u>0.1</u>	Projected Purse Per Day \$25,000 *
Totals	# of Races Per Day <u>10.0</u>	Projected Purse Per Day \$150k

Retama Park will conduct one meet, with quarter horses racing on Thursdays, Fridays, and Saturdays beginning Thursday, July 1, 2021 and ending on Saturday, August 14, 2021. No racing on Thursday, August 12, 2021. A total of 20 QH days. See attached calendar.

***Minor – Number of Paint races during the meet depending on available purse money.**

Retama Park is not applying for any thoroughbred dates. There are ongoing discussions about moving Retama Park thoroughbred purse money to Sam Houston Race Park and Lone Star Park and conducting additional race days at those two tracks.

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2021 will be allocated among the various breeds:

Appaloosa	<u>0.0 %</u>	Arabian	<u>0.0 %</u>	Paint	<u>2.0 %</u>
Quarter Horse	<u>98.0 %</u>	Thoroughbred	<u>0.0 %</u>		

Check all that apply:

Attached are letters from the affected breed registries that have agreed to this allocation.

The _____ breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

In a phone discussion on August 31, 2020, Marsha Rountree, representing the THP, supported the dates on this application.

In a phone discussion on August 31, 2020, Rob Werstler, representing the TQHA, supported the dates on this application.

Two emails (August 21 and August 26), were sent to Lee DeLong of Gillespie with Retama Park's tentative dates, asking for comments about overlapping days. No response was received.

Retama Park is not applying for any thoroughbred dates. There are ongoing discussions about moving Retama Park thoroughbred purse money to Sam Houston Race Park and Lone Star Park and conducting additional race days at those two tracks.

III. Dates Requested

Indicate on the attached calendar each live race date requested with a "T" (Thoroughbred), "QH" (Quarter Horse), or "M" (Mixed). Include standard post time in space provided on calendar. Any exceptions, such as holidays, should be noted.

IV. Charity Days

A Class 1 or Class 2 racetrack shall conduct at least two and not more than five charity race days each year. The association shall pay to the charity at least 2% of the total pari-mutuel handle generated at the racetrack on the charity race day. At least one of the charity days must be conducted for a charity that directly benefits the persons who work in the stable or kennel area of the racetrack. At least one of the charity days must be conducted for a charity that primarily benefits research into the health or safety of race animals.

Indicate which days are designated as charity days:

Day 1: 7/29/2021

Day 2: 8/5/2021

Identify the charities:

REQUIRED BY RULE

(1) A charity that directly benefits the persons who work on the backside:

Day 1 Charity: RTCA – South Texas Chapter
(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:

Day 2 Charity: Texas A&M University Equine Research
(Name of Charity)

For each charity listed, attach the following information:

1. The name of the charity;
2. the name and address of each individual who serves as an officer or director of the charity or who owns an interest in the charity of 5.0% or more;
3. a brief description of the activities or purposes of the charity; and
4. a copy of an Internal Revenue Service letter of determination that qualifies the charity as an exempt organization for purposes of federal income tax.

V. Coordination of Request

To facilitate the Commission's consideration of each association's request, please indicate below the association's coordination efforts and the letters of support as appropriate.

	Letter of Support				
	Affected?		Attached?		
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<u>Racetrack</u>					
Gillespie County Fair & Festivals Association	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Laredo Downs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lone Star Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Manor Downs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retama Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sam Houston Race Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Valle de los Tesoros	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	Letter of Support		
	Attached?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<u>Horsemen's Organization</u>			
Texas Horsemen's Partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/> *	<input type="checkbox"/>

*Letters of support from the THP and TQHA are forthcoming.

Retama Park

Requested Performances for 2021

June						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
Father's Day 27	28	29	30			

July						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 QH 6:45	2 QH 6:45	3 QH 6:45
4 Independence Day	5	6	7	8 QH 6:45	9 QH 6:45	10 QH 6:45
11	12	13	14	15 QH 6:45	16 QH 6:45	17 QH 6:45
18	19	20	21	22 QH 6:45	23 QH 6:45	24 QH 6:45
25	26	27	28	29 QH 6:45	30 QH 6:45	31 QH 6:45

August						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5 QH 6:45	6 QH 6:45	7 QH 6:45
8	9	10	11	12	13 QH 6:45	14 QH 6:45
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				



TEXAS
HORSEMEN'S
PARTNERSHIP

September 20, 2020

via email

Mr. Chuck Trout
Texas Racing Commission
P.O. Box 12080
Austin, TX 78711

Dear Chuck:

The Texas Horsemen's Partnership, on behalf of its quarter horse members, would like to offer our support for Retama Park's race date application for the 2021 quarter horse meet. We are pleased that Retama has requested 20 days of quarter horse racing and we are hopeful that they will agree to amend their request, to add additional quarter horse days, before the start of the meet next summer.

While the THP can't offer support for a Class 1 racetrack not running a thoroughbred meet, we understand the situation, as presented to us by Retama. We continue to be in discussions with the other two Class 1 tracks, concerning transferring thoroughbred purse money from Retama, for additional racing opportunities at those tracks.

As always, please let me know if you have any questions or concerns.

Sincerely,

Marsha Rountree
Executive Director
Texas Horsemen's Partnership, LLP



T.A.B.A. Texas Arabian Breeders Association

Ed Wilson, President
P.O. Box 215
Fomey, Texas 75126
(214) 564-9430
fax (214) 552-3813

Mr. Chuck Trout
Executive Secretary
Texas Racing Commission

Dear Mr. Trout

The Texas Arabian Breeders Association supports the recommended race dates submitted by Retama Race Park for the 2021 race meet.

Yours truly,

Ed Wilson
President
Texas Arabian Breeders Association



September 22, 2020

Chuck Trout
Executive Director
Texas Racing Commission
PO Box 12080
Austin, TX 78711

Dear Mr. Trout,

This letter is in response to the race date applications submitted by Lone Star Park, Retama Park and Sam Houston Race Park.

We support the race days that were provided for review. We also support each track if they consider adding race days as additional purse funds become available.

We look forward to working with all parties involved to ensure successful Paint Horse racing in Texas.

Sincerely,

Lex Smurthwaite
Executive Secretary
Texas Paint Horse Breeders Association
Fort Worth, TX 76161
(817) 781-5980



September 10, 2020

Chuck Trout
Executive Director
Texas Racing Commission
P.O. Box 12080
Austin, Texas 78711

Dear Chuck,

The Texas Quarter Horse Association is in full support of the 2021 Retama Park race dates application. We appreciate their efforts to accommodate and work with the GCFA management to reduce conflicted race days.

Sincerely,

Rob Werstler
Director of Racing

A handwritten signature in cursive script that reads 'Rob Werstler'.

REC'D TRACKING COMM
AUG 31 '20 5:10:29



5302 Leopard Street
Corpus Christi, Texas 78408

*

361.289.9333

www.gulfcoastrace track.com

August 28, 2020

Mr. Chuck Trout
Executive Director
Texas Racing Commission
P. O. Box 12080
Austin, TX 78711-2080

Dear Mr. Trout:

In accordance with Rule 303.41, Allocation of Race Dates, attached please find a request for live race dates for Gulf Coast Racing beginning August 24, 2022. Please place on the Agenda for the upcoming Texas Racing Commission meeting.

If you have questions, please let me know. Thank you.

Respectfully,

Sally B. Briggs
Operations Manager

c: Ricky Walker, Chief Steward
Eric L. Wilson
Dwight Berube, Valley Race Park
Billy Galbreath, Texas Greyhound Association

T E X A S R A C I N G C O M M I S S I O N
R E Q U E S T F O R P E R F O R M A N C E S
G R E Y H O U N D R A C E T R A C K S

January 1, 2022 – August 31, 2022

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on August 31, 2020. For safety, please submit by fax or email. For your convenience, the prescribed application forms are attached.

I. Schedule Requested

Name of Racetrack: GULF COAST RACING

Opening Day: 08 / 24 / 2022 Closing Day: 08 / 28 / 2022

Number of Performances per week 5

Projected Number of Races per Performance 10

TOTAL NUMBER OF PERFORMANCES REQUESTED 5

II. Charity Days

A greyhound association shall conduct at least five charity race days each year. The association shall pay to the charity at least 2% of the total pari-mutuel handle generated at the racetrack on the charity race day. At least one of the charity days must be conducted for a charity that directly benefits the persons who work in the stable or kennel area of the racetrack. At least one of the charity days must be conducted for a charity that primarily benefits research into the health or safety of race animals.

Indicate which days are designated as charity days:

Day 1: TBA

Day 2: TBA

Day 3: TBA

Day 4: TBA

Day 5: TBA

Identify the charities:

REQUIRED BY RULE

(1) A charity that directly benefits the persons who work in the kennel area:

Day 1 Charity: TBA
(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:

Day 2 Charity: TBA
(Name of Charity)

ADDITIONAL CHARITIES

Day 3 Charity: TBA
(Name of Charity)

Day 4 Charity: TBA
(Name of Charity)

Day 5 Charity: TBA
(Name of Charity)

For each charity listed, attach the following information:

1. The name of the charity;
2. the name and address of each individual who serves as an officer or director of the charity or who owns an interest in the charity of 5.0% or more;
3. a brief description of the activities or purposes of the charity; and
4. a copy of an Internal Revenue Service letter of determination that qualifies the charity as an exempt organization for purposes of federal income tax.

III. Dates Requested

Indicate on the attached calendar each live race performance requested with an

"M" denoting a Matinee performance

"E" denoting an Evening performance

Include standard post time for each performance in space provided on calendar. Any exceptions, such as holidays, should be noted.

V. Coordination of Request

To facilitate the Commission's consideration of each association's request, please indicate below the association's coordination efforts and the letters of support as appropriate.

	Affected?		Letter of Support Attached?		
	Yes	No	Yes	No	N/A
<u>Racetrack</u>					
Gulf Coast Racing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valley Race Park	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Letter of Support Attached?		
	Yes	No	N/A
<u>Greyhound Breed Association</u>			
Texas Greyhound Association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

July						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 Independence Day	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24 E 7 PM	25 E 7 PM	26 E 7 PM	27 E 7 PM
28 E 7 PM	29	30	31			



August 31, 2020

Sent Via Electronic Mail

Mr. Chuck Trout
Executive Director
Texas Racing Commission
P.O. Box 12080
Austin, Texas 78711

Dear Mr. Trout:

Valley Race Park already has racing dates granted in the calendar year of 2021. Therefore, it is not necessary for Valley Race Park to submit a request for 2021 racing dates during the application period currently pending before the Commission.

Sincerely,

Dwight Berube,
Vice President and General Manager
Valley Race Park, LLC

2021 Granted Greyhound Race Dates As of October 29, 2019

		January																														
		F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
Gulf Coast Racing	M E	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Gulf Greyhound	M E																															
Valley Race Park	M E																															

February																																
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28					

March																																
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		

		April																														
		T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	
Gulf Coast Racing	M E	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Gulf Greyhound	M E																															
Valley Race Park	M E																															

May																																
S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		

June																																
T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30			

		July																														
		T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	
Gulf Coast Racing	M E	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Gulf Greyhound	M E																															
Valley Race Park	M E																															

August																																
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		

September																																
Application Period Opened Did Not Include This Month																																

		October																														
		Application Period Opened Did Not Include This Month																														

November																																
Application Period Opened Did Not Include This Month																																

December																																

	January		February		March		April		May		June		July		August		September		October		November		December		Total By Type			Total Performances		
	M	E	M	E	M	E	M	E	M	E	M	E	M	E	M	E	M	E	M	E	M	E	M	E	M	E	Abr			
Gulf Coast Racing	-	-																												
Gulf Greyhound	-	-																												
Valley Race Park	-	-													1	4											1	4		5
Total By Type	-	-													1	4											1	4		5
Total By Month															5															

- Legends**
- Matinee
 - Evening

Note:

V. PROCEEDINGS ON RACETRACKS (cont.)

- C. Discussion and possible action to modify the disbursement of purse funds throughout the year
- D. Discussion and possible action to approve management change for Global Gaming LSP, LLC, d/b/a Lone Star Park at Grand Prairie
- E. Discussion and possible action to approve management change for PM Texas, LLC
- F. Discussion and possible action to approve concession contract for Sam Houston Race Park

Proposal

Change the Current Methodology for Payments to Horse Racetracks from the Horse Industry Escrow Account Fund

Prepared by
Sam Houston Race Park
September 14, 2020

Overview

The Horse Industry Escrow Account (HIEA) is funded through two sources, (i) the Cross-Species funds generated by import horse handle at greyhound racetracks and (ii) the HB 2463 funds passed through legislation in 2019. For the purposes of this proposal, these two different funding mechanisms shall be referred to as the Cross Species Funds and the HB 2463 Funds.

Since the inception of the HB 2463 purse funding, Sam Houston Race Park (SHRP) has been hindered by the timing of its payment distributions to the horse racetracks by the Texas Racing Commission (TxRC).

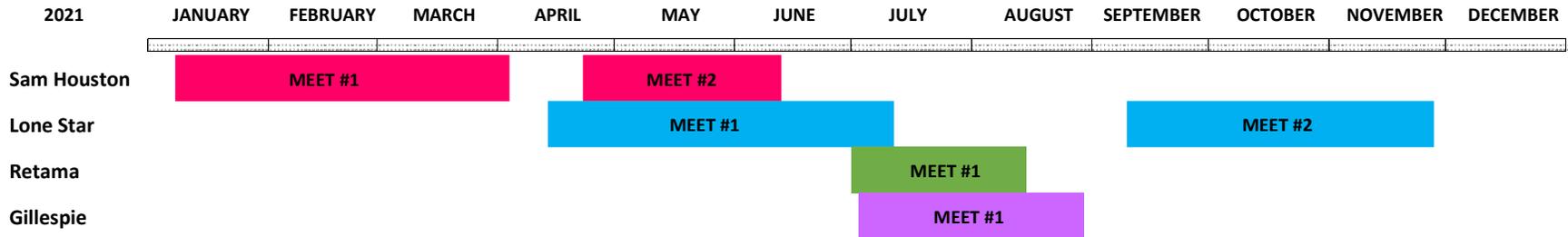
The TxRC has been using the same Cross-Species payment methodology to distribute HB 2463 purse funds to the horse racetracks since September 2019, by which each horse racetrack receives its allocated purse funds on a monthly basis, without regard to its racing schedule. This methodology harmfully impacts the SHRP Thoroughbred racing meet which typically runs from January through March. Under the current HB 2463 purse payment methodology used by TxRC, whose fiscal year begins in September, SHRP only receives seven (7) of the twelve (12) equal monthly payments by the time its Thoroughbred meet has concluded, or 58% of its allocated HB 2463 purse funds. Other meets held at SHRP and Texas horse racetracks in the first half of the calendar year are also impacted by the current methodology, but not nearly to the extent as the SHRP Thoroughbred meet.

SHRP is proposing a change to the methodology of payments of HB 2463 purse funds, which would be separate and apart from the Cross-Species payment methodology. This proposal does not require a rule change. According to **Sec. 303.302. General Provisions (b) The Commission may make allocations of funds from the account at different times to horse racetrack associations and to breed registries, provided that not more than 70% of the amount deposited into the account is allocated to racetrack associations each year.**

SHRP proposes that moving forward the TxRC pays HB 2463 purse funds to horse racetracks based on their approved race date calendars.

A timeline of the applied race dates (or already approved dates) for the calendar year of 2021 (as of September 7, 2020) is reflected in the illustration below:

Timeline of Texas Horse Racetracks 2021 Race Dates by Meet (as of 9/7/20)



2020 Industry-Wide Agreement on HIEA Purse Fund Splits by Tracks and Breeds

The chart below is the Industry-Wide Agreement for 2020 HIEA Purse Fund percentage splits between horse racetracks and breeds, which was approved by the Commission at the October 29, 2019 Meeting. 2021 splits have yet to be determined, so 2020 splits were used for the purposes of calculations contained in this proposal.

2020 Industry-Wide Agreement Summary

Horse Industry Escrow Purses Rule 321.509

Escrow Purses	Gillespie	Lone Star	Retama	Sam Houston
Arabian	1.22%	1.23%	2.79%	1.44%
Paint Horse	5.84%	1.30%	1.77%	1.19%
Quarter Horse	78.33%	46.69%	70.72%	39.77%
Thoroughbred	14.61%	50.78%	24.72%	57.60%

HIEA Purse Fund Allocations by Horse Racetrack by Breed

Based on the 2020 Industry-Wide Agreement on HIEA purse fund splits between horse racetracks and breeds, the chart below reflects the amounts each horse racetrack was to receive by breed from the HB 2463 fund during the TxRC's 2020 fiscal year.

To the best of our knowledge, these amounts were paid by the TxRC accordingly, but because HB 2463 payments are blended together with Cross-Species payments, it is very difficult to monitor and reconcile by the industry.

HB 2463 Purse Funding in Dollars by Track and Breed 2020

HB 2463 Total Fund (up to)	\$ 25,000,000
Amount to HB 2463 Purse Fund	<u>70%</u>
	\$ 17,500,000

Sam Houston	Purses	Calculation:
Thoroughbred	\$ 4,183,200	$(\$17,500,000 \times 41.50\% \times 57.60\%)$
Arabian	\$ 104,580	$(\$17,500,000 \times 41.50\% \times 1.44\%)$
Quarter Horse	\$ 2,888,296	$(\$17,500,000 \times 41.50\% \times 39.77\%)$
Paint Horse	\$ 86,424	$(\$17,500,000 \times 41.50\% \times 1.19\%)$
	<u>\$ 7,262,500</u>	

Lone Star	Purses	Calculation:
Thoroughbred	\$ 3,224,911	$(\$17,500,000 \times 36.29\% \times 50.78\%)$
Arabian	\$ 78,114	$(\$17,500,000 \times 36.29\% \times 1.23\%)$
Quarter Horse	\$ 2,965,165	$(\$17,500,000 \times 36.29\% \times 46.69\%)$
Paint Horse	\$ 82,560	$(\$17,500,000 \times 36.29\% \times 1.3\%)$
	<u>\$ 6,350,750</u>	

Retama	Purses	Calculation:
Thoroughbred	\$ 806,366	$(\$17,500,000 \times 18.64\% \times 24.72\%)$
Arabian	\$ 91,010	$(\$17,500,000 \times 18.64\% \times 2.79\%)$
Quarter Horse	\$ 2,306,886	$(\$17,500,000 \times 18.64\% \times 70.72\%)$
Paint Horse	\$ 57,737	$(\$17,500,000 \times 18.64\% \times 1.77\%)$
	<u>\$ 3,262,000</u>	

Gillespie	Purses	Calculation:
Thoroughbred	\$ 91,276	$(\$17,500,000 \times 3.57\% \times 14.61\%)$
Arabian	\$ 7,622	$(\$17,500,000 \times 3.57\% \times 1.22\%)$
Quarter Horse	\$ 489,367	$(\$17,500,000 \times 3.57\% \times 78.33\%)$
Paint Horse	\$ 36,485	$(\$17,500,000 \times 3.57\% \times 5.84\%)$
	<u>\$ 624,750</u>	

Proposed Revision to Methodology of HIEA Purse Fund Payments to Horse Racetracks

The charts below reflect SHRP's proposed methodology for HB 2463 funds where horse racetracks would receive their payments from the TxRC based on their race date schedule, instead of equal monthly payments spread across the calendar year.

In this proposal, the current methodology for Cross-Species funds remains the same. When reviewing this proposal, please DO NOT focus on the percentage splits or the purse values, as any arguments on those should take place in a separate forum. Instead, please review this solely as a proposal for the payment methodology.

Proposed Revision to HIEA Purse Payment Methodology

TxRC Fiscal Month	Funding from State	TxRC	TxRC	TxRC	TxRC	Total TxRC HIEA Purse Payments
	Comptroller's Office to Texas Racing Commission	Payment of HIEA Purse Funds to Sam Houston	Payment of HIEA Purse Funds to Lone Star	Payment of HIEA Purse Funds to Retama	Payment of HIEA Purse Funds to Gillespie	
Sep-20	\$ 1,458,333	\$ 1,458,333	\$ -	\$ -	\$ -	\$ 1,458,333
Oct-20	\$ 1,458,333	\$ 1,458,333	\$ -	\$ -	\$ -	\$ 1,458,333
Nov-20	\$ 1,458,333	\$ 1,412,979	\$ 45,354	\$ -	\$ -	\$ 1,458,333
Dec-20	\$ 1,458,333	\$ 700,000	\$ 758,333	\$ -	\$ -	\$ 1,458,333
Jan-21	\$ 1,458,333	\$ 700,000	\$ 758,333	\$ -	\$ -	\$ 1,458,333
Feb-21	\$ 1,458,333	\$ 700,000	\$ 758,333	\$ -	\$ -	\$ 1,458,333
Mar-21	\$ 1,458,333	\$ 700,000	\$ 758,333	\$ -	\$ -	\$ 1,458,333
Apr-21	\$ 1,458,333	\$ 132,856	\$ 146,224	\$ 990,573	\$ 188,680	\$ 1,458,333
May-21	\$ 1,458,334	\$ -	\$ -	\$ 1,225,001	\$ 233,333	\$ 1,458,334
Jun-21	\$ 1,458,334	\$ -	\$ 209,171	\$ 1,046,427	\$ 202,736	\$ 1,458,334
Jul-21	\$ 1,458,334	\$ -	\$ 1,458,334	\$ -	\$ -	\$ 1,458,334
Aug-21	\$ 1,458,334	\$ -	\$ 1,458,334	\$ -	\$ -	\$ 1,458,334
Total	\$ 17,500,000	\$ 7,262,500	\$ 6,350,750	\$ 3,262,000	\$ 624,750	\$ 17,500,000

Note: Lone Star's 2020 Meet #2 has already been fully funded by current methodology used in 2020

	Sam Houston Meet #1 Thoroughbreds/Arabians		Sam Houston Meet #2 Quarter Horse/Paint Horse		Lone Star Meet #1 Thoroughbred		Retama Meet #1 Mixed		Gillespie Meet #1 Mixed		Lone Star Meet #2 Quarter Horse/Arabians/Paint	
	Number of Race Dates in Month	Remaining Balance Due	Number of Race Dates in Month	Remaining Balance Due	Number of Race Dates in Month	Remaining Balance Due	Number of Race Dates in Month	Remaining Balance Due	Number of Race Dates in Month	Remaining Balance Due	Number of Race Dates in Month	Remaining Balance Due
	\$ 4,287,780		\$ 2,974,720		\$ 3,224,911		\$ 3,262,000		\$ 624,750		\$ 3,125,839	
Sep-20	0	\$ 2,829,447	0	\$ 2,974,720	0	\$ 3,224,911	0	\$ 3,262,000	0	\$ 624,750	9	\$ 3,125,839
Oct-20	0	\$ 1,371,114	0	\$ 2,974,720	0	\$ 3,224,911	0	\$ 3,262,000	0	\$ 624,750	9	\$ 3,125,839
Nov-20	0	\$ -	0	\$ 2,932,855	0	\$ 3,179,557	0	\$ 3,262,000	0	\$ 624,750	8	\$ 3,125,839
Dec-20	0	\$ -	0	\$ 2,232,855	0	\$ 2,421,224	0	\$ 3,262,000	0	\$ 624,750	0	\$ 3,125,839
Jan-21	12	\$ -	0	\$ 1,532,855	0	\$ 1,662,891	0	\$ 3,262,000	0	\$ 624,750	0	\$ 3,125,839
Feb-21	12	\$ -	0	\$ 832,855	0	\$ 904,558	0	\$ 3,262,000	0	\$ 624,750	0	\$ 3,125,839
Mar-21	12	\$ -	0	\$ 132,856	0	\$ 146,224	0	\$ 3,262,000	0	\$ 624,750	0	\$ 3,125,839
Apr-21	3	\$ -	4	\$ -	8	\$ -	0	\$ 2,271,427	0	\$ 436,070	0	\$ 3,125,839
May-21	0	\$ -	13	\$ -	15	\$ -	0	\$ 1,046,427	0	\$ 202,736	0	\$ 3,125,839
Jun-21	0	\$ -	6	\$ -	12	\$ -	0	\$ -	0	\$ -	0	\$ 2,916,668
Jul-21	0	\$ -	0	\$ -	6	\$ -	15	\$ -	4	\$ -	0	\$ 1,458,334
Aug-21	0	\$ -	0	\$ -	0	\$ -	5	\$ -	4	\$ -	0	\$ -
Total	39		23		41		20		8		26	

Monthly HB 2463 Payments to Horse Racetracks by Breed based on Percentage Splits Using Proposed Methodology

Sam Houston HB 2463 Purse Payments by Breed by Month					
Fiscal Month	Thoroughbred	Quarter Horse	Arabian	Paints	Total Payment
	57.60%	39.77%	1.44%	1.19%	
Sep-20	\$ 1,422,763.90	\$ -	\$ 35,569.10		\$ 1,458,333.00
Oct-20	\$ 1,422,763.90	\$ -	\$ 35,569.10		\$ 1,458,333.00
Nov-20	\$ 1,337,672.20	\$ 40,648.82	\$ 33,441.80	\$ 1,216.30	\$ 1,412,979.12
Dec-20	\$ -	\$ 679,662.99	\$ -	\$ 20,337.01	\$ 700,000.00
Jan-21	\$ -	\$ 679,662.99	\$ -	\$ 20,337.01	\$ 700,000.00
Feb-21	\$ -	\$ 679,662.99	\$ -	\$ 20,337.01	\$ 700,000.00
Mar-21	\$ -	\$ 679,662.99	\$ -	\$ 20,337.01	\$ 700,000.00
Apr-21	\$ -	\$ 128,995.22	\$ -	\$ 3,859.66	\$ 132,854.88
May-21	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-21	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-21	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-21	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 4,183,200.00	\$ 2,888,296.00	\$ 104,580.00	\$ 86,424.00	\$ 7,262,500.00

Lone Star HB 2463 Purse Payments by Breed by Month					
Fiscal Month	Thoroughbred	Quarter Horse	Arabian	Paints	Total Payment
	50.78%	46.69%	1.23%	1.30%	
Sep-20	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-20	\$ -	\$ -	\$ -	\$ -	\$ -
Nov-20	\$ 45,353.88	\$ -	\$ -	\$ -	\$ 45,353.88
Dec-20	\$ 758,333.00	\$ -	\$ -	\$ -	\$ 758,333.00
Jan-21	\$ 758,333.00	\$ -	\$ -	\$ -	\$ 758,333.00
Feb-21	\$ 758,333.00	\$ -	\$ -	\$ -	\$ 758,333.00
Mar-21	\$ 758,333.00	\$ -	\$ -	\$ -	\$ 758,333.00
Apr-21	\$ 146,225.12	\$ -	\$ -	\$ -	\$ 146,225.12
May-21	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-21	\$ -	\$ 198,419.18	\$ 5,226.92	\$ 5,524.88	\$ 209,170.98
Jul-21	\$ -	\$ 1,383,372.90	\$ 36,443.54	\$ 38,517.56	\$ 1,458,334.00
Aug-21	\$ -	\$ 1,383,372.90	\$ 36,443.54	\$ 38,517.56	\$ 1,458,334.00
Total	\$ 3,224,911.00	\$ 2,965,164.98	\$ 78,114.00	\$ 82,560.00	\$ 6,350,749.98

Retama HB 2463 Purse Payments by Breed by Month					
Fiscal Month	Thoroughbred	Quarter Horse	Arabian	Paints	Total Payment
	24.72%	70.72%	2.79%	1.77%	
Sep-20	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-20	\$ -	\$ -	\$ -	\$ -	\$ -
Nov-20	\$ -	\$ -	\$ -	\$ -	\$ -
Dec-20	\$ -	\$ -	\$ -	\$ -	\$ -
Jan-21	\$ -	\$ -	\$ -	\$ -	\$ -
Feb-21	\$ -	\$ -	\$ -	\$ -	\$ -
Mar-21	\$ -	\$ -	\$ -	\$ -	\$ -
Apr-21	\$ 244,869.53	\$ 700,532.89	\$ 27,636.97	\$ 17,533.13	\$ 990,572.52
May-21	\$ 302,820.25	\$ 866,320.70	\$ 34,177.53	\$ 21,682.52	\$ 1,225,001.00
Jun-21	\$ 258,676.22	\$ 740,033.17	\$ 29,195.76	\$ 18,521.35	\$ 1,046,426.50
Jul-21	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-21	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 806,366.00	\$ 2,306,886.76	\$ 91,010.26	\$ 57,737.00	\$ 3,262,000.02

Gillespie HB 2463 Purse Payments by Breed by Month					
Fiscal Month	Thoroughbred	Quarter Horse	Arabian	Paints	Total Payment
	14.61%	78.33%	1.22%	5.84%	
Sep-20	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-20	\$ -	\$ -	\$ -	\$ -	\$ -
Nov-20	\$ -	\$ -	\$ -	\$ -	\$ -
Dec-20	\$ -	\$ -	\$ -	\$ -	\$ -
Jan-21	\$ -	\$ -	\$ -	\$ -	\$ -
Feb-21	\$ -	\$ -	\$ -	\$ -	\$ -
Mar-21	\$ -	\$ -	\$ -	\$ -	\$ -
Apr-21	\$ 27,566.22	\$ 147,793.42	\$ 2,301.90	\$ 11,018.94	\$ 188,680.48
May-21	\$ 34,089.95	\$ 182,769.74	\$ 2,846.66	\$ 13,626.65	\$ 233,333.00
Jun-21	\$ 29,619.83	\$ 158,803.84	\$ 2,473.44	\$ 11,839.41	\$ 202,736.52
Jul-21	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-21	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 91,276.00	\$ 489,367.00	\$ 7,622.00	\$ 36,485.00	\$ 624,750.00

Cross-Species funds would continue to be paid to all horse racetracks and breeds on a monthly basis, separate and apart from the HB 2463 purse fund payments on the schedule above.

Conclusion

For the Texas Racing Industry to meet its full growth potential, it is imperative for SHRP to receive all of its allocated HB 2463 purse funds in a timely manner. This proposal accomplishes that objective, with all Texas horse racetracks receiving their full allocation of HB 2463 purse funds in time for their race meets.

It serves no purpose to have horse racetracks holding hundreds of thousands of dollars of purse funds in non-interest bearing accounts for months waiting for their race meets to begin, which is the case under the current methodology.

SHRP strongly urges the TxRC to approve this proposal to change the current methodology for payments to Texas horse racetracks from the HB 2463 purse fund, to be effective starting with the September, 2020 payment.

Otherwise, SHRP will likely be forced to reduce its number of Thoroughbred race dates as submitted on August 31, 2020, since sufficient purse funds will not be available to support those dates.



September 15, 2020

Ms. Devon Bijansky
General Counsel
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, TX 78754

Dear Ms. Bijansky:

Retama Park has reviewed the proposal prepared by Sam Houston Race Park entitled "Change the Current Methodology for Payments to Horse Racetracks from the Horse Industry Escrow Account Fund." It does an excellent job of explaining the problem with the current model and illustrates how implementation will do nothing but benefit the Texas Horse Racing Industry with no downside.

Retama Park supports the proposal and recommends its implementation by the Commission.

Sincerely,



Angela Cooper
General Manager
Retama Park



September 15, 2020

Ms. Devon Bijansky
General Counsel
Texas Racing Commission

Re: Horse Industry Escrow Account Fund Proposal

Dear Ms. Bijansky:

Gillespie County Fair & Festival Association has reviewed the Proposal to Change to the Current Methodology for Payments to Horse Racetracks from the Horse Industry Escrow Account Fund. We totally agree with this Proposal and feel that it is in the best interest of each Horse racetrack in the State. This proposal will allow us to better prepare for the amount of funds for our Meet well before the start of the meet as well as publishing in the Condition Book.

Thank you for your consideration of this proposal.

Respectfully,

A handwritten signature in blue ink that reads "Sally B. Briggs". The signature is written in a cursive style.

Sally B. Briggs
GCFFA Representative

C: Lee DeLong, GCFFA
Dwight Berube, SHRP

Gillespie County Fair & Festivals Association

P.O. Box 526
Fredericksburg, Texas 78624
Tel. (830) 997-2359 Fax: (830) 997- 4923
www.gillespiefair.net
Page 84 of 109



September 15, 2020

Ms. Devon Bijansky
General Counsel
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, TX 78754

Dear Ms. Bijansky,

The Texas Thoroughbred Association fully supports the proposal by Sam Houston Race Park entitled "Change the Current Methodology for Payments to Horse Racetracks from the Horse Industry Escrow Account Fund".

We are confident that Implementation of this proposal will address problems with the current model and provide a timely, equitable funding mechanism for all Texas tracks.

Thank you for consideration of this proposal.

Respectfully,

A handwritten signature in black ink that reads "Mary Ruyle". The signature is written in a cursive, flowing style.

Mary Ruyle
Executive Director

Copy: Dwight Berube, SHRP

Texas Thoroughbred Association
192 Cimarron Park Loop, Suite A
Buda, Texas 78610



T E X A S
HORSEMEN'S
PARTNERSHIP

September 17, 2020

Ms. Devon Bijansky
General Counsel
Texas Racing Commission
8505 Cross Park Dr. Ste. 110
Austin, TX 78754

Dear Devon:

Texas Horsemen's Partnership has been involved in discussions with Sam Houston Race Park, concerning the timing of the Horse Industry Escrow Account payments, and we agree that the current model places SHRP at an unfair disadvantage. Due to the timing of the SHRP meet in early January, the purse funds allocated to SHRP from the HIEA are not sufficient to fund the meet.

We believe that the proposal submitted by Sam Houston Race Park provides an excellent solution without placing any of the other Texas tracks in jeopardy. We support the proposal and ask that the Commission approve and implement it as soon as possible.

Sincerely,

Marsha Rountree
Executive Director/Controller
Texas Horsemen's Partnership, LLP

CARDWELL, HART & BENNETT, L.L.P.

ATTORNEYS AT LAW

807 BRAZOS
SUITE 1001
AUSTIN, TEXAS 78701-2553

TELEPHONE: (512) 322-0011
FAX: (512) 322-0808

September 16, 2020

Via Email (devon.bijansky@txrc.texas.gov)

Ms. Devon Bijansky
General Counsel
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, Texas 78754

Re: Request for Change in Management Committee of
Lone Star Park at Grand Prairie

Dear Ms. Bijansky:

Pursuant to Section 309.151(c) of the Texas Racing Commission Rules, Global Gaming LSP, LLC d/b/a Lone Star Park at Grand Prairie ("LSP") requests the Commission, at its September 29, 2020 meeting, to approve the addition of Mr. Roy Corby to LSP's Management Committee to replace Mr. Robert "Skip" Lannert. Mr. Corby will not hold any ownership in Lone Star Park at Grand Prairie. The proposed date of Mr. Corby's addition to LSP's Management Committee and Mr. Lannert's retirement from it is October 1, 2020. Background information on Mr. Corby required by Section 309.151(c) has been previously submitted to the Commission.

Very truly yours,

CARDWELL, HART & BENNETT, LLP

By: 
J. Bruce Bennett

Attorneys for Global Gaming LSP, LLC
d/b/a Lone Star Park at Grand Prairie

Devon Bijansky

From: Berube, Dwight
Sent: Thursday, July 09, 2020 1:42 PM Robert
To: Elrod; Devon Bijansky
Cc: Chuck Trout; Christopher McErlean
Subject: Management Change for PM Texas, LLC
Attachments: 20200709122626686.pdf

Dear Mr. Elrod and Ms. Bijansky:

Mr. Charles Hurwitz of PM Texas Holdings, LLC has appointed David A. Hurwitz to replace J. Kent Friedman on the Board of PM Texas, LLC (see attachment). I realized when completing the recent Racetrack Ownership Reports that this change had not yet been formally approved by the Commission as a Management Change for PM Texas, LLC.

Mr. David A. Hurwitz has already been licensed by the Texas Racing Commission.

I would appreciate you having this item added to the Agenda for the upcoming Texas Racing Commission Meeting scheduled for July 21, 2020.

Please let me know if any additional information is required.

Sincerely,
Dwight Berube

CC: Mr. Chuck Trout
Mr. Christopher McErlean

Attachment

Dwight Berube
Vice President & General Manager
Sam Houston Race Park, LLC
(281) 807-8827

This document may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If you are not the intended recipient, you are on notice that any unauthorized disclosure, copying, distribution, or taking of any action in reliance on the contents of the electronically transmitted materials is prohibited.

VI. PROCEEDINGS ON OCCUPATIONAL LICENSES

Discussion and possible action on the proposal for decision in SOAH No. 0476-20-3410, Joel Politi v. Texas Racing Commission

July 9, 2020

Chuck Trout
Executive Director
Texas Racing Commission
8505 Cross Park Dr., Suite 110
Austin, TX 78754-4594

VIA EFILE TEXAS

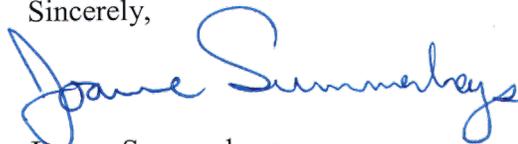
RE: Docket No. 476-20-3410; Joel Politi v Texas Racing Commission

Dear Mr. Trout:

Please find enclosed a Proposal for Decision in this case. It contains my recommendation and underlying rationale.

Exceptions and replies may be filed by any party in accordance with 1 Tex. Admin. Code § 155.507, a SOAH rule which may be found at www.soah.texas.gov.

Sincerely,



Joanne Summerhays
Administrative Law Judge

JS/tt
Enclosures

cc: Virginia Fields, Director of Enforcement, Texas Racing Commission, P.O. Box 12080, Austin, TX 78711 (with (1) CD of Hearing on the Merits) – **EFILE TEXAS & INTER-AGENCY MAIL**
Stephanie S. Potter, Naman, Howell, Smith & Lee, PLLC, 8310 N. Capital of Texas Hwy., Suite 490, Austin, TX 78731 – **EFILE TEXAS**

JOEL POLITI,
Petitioner

v.

TEXAS RACING COMMISSION,
Respondent

§
§
§
§
§
§
§
§

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

PROPOSAL FOR DECISION

Joel Politi (Petitioner) protests the decision of the Sam Houston Race Park Board of Stewards (Stewards) in the ninth claiming race that took place on March 17, 2020, at Sam Houston Race Park in Houston, Texas, to the Texas Racing Commission (Commission). The Stewards determined that a claim made by J. Roscoe (J. R.) Campbell, as the registered agent for Jeffrey Engelhart, for Petitioner’s horse, Runningwscissors, was valid, and transferred the ownership of the horse from Petitioner to Mr. Englehart. Having considered the evidence presented at the hearing on the merits, the Administrative Law Judge (ALJ) concludes that Petitioner failed to meet his burden of proving that the claim was invalid by a preponderance of the evidence. Therefore, the ALJ recommends upholding the validity of the claim.

I. JURISDICTION AND NOTICE

There were no contested issues of jurisdiction or notice, and those issues are set forth in the Findings of Fact and Conclusions of Law below.

On June 11, 2020, ALJ Joanne Summerhays convened the hearing by video conference via Zoom. Attorney Virginia Fields represented Commission Staff. Petitioner was represented by attorney Stephanie Potter. The record was held open to allow the parties to file written closing arguments and closed on June 22, 2020.

II. APPLICABLE LAW

Horse racing in Texas is governed by the Texas Racing Act (Act)¹ and the rules promulgated by the Commission pursuant to the Act.² The Commission's stewards have the authority to resolve questions that are not covered by the Commission's rules as well as to interpret and enforce the Commission's rules and the Act:

- (a) In addition to the other duties described in these Rules, the stewards have the general authority and supervision over the conduct of each race and all licensees at a racetrack during a race meeting. If a question arises during a race meeting regarding the operations of a racetrack or the conduct of racing that is not covered by the Act or the Rules, the stewards shall resolve the question in conformity with custom, precedent, justice, and the best interest of racing.
- (b) The stewards are authorized to:
 - (1) interpret and enforce the Act and the Rules and to determine all questions, disputes, complaints, or objections relating to racing matters in accordance with the applicable laws, taking into consideration such factors as, but not limited to, custom, precedent, justice, and the best interest of racing; . . .[and]
 - (2) issue rulings,³

This case involves a type of horse race called a "claiming race" in which a qualified person can make a claim on a horse and purchase it for a price set before the race.⁴ In a claiming race, a horse can be claimed only by: (1) a licensed owner or lessee or an authorized agent acting on behalf of the owner or lessee; or (2) a person who has applied for an owner's license and has been granted approval by the stewards to make the claim.⁵ A person with a valid claim to a horse becomes the owner of that horse when the horse steps onto the racetrack to race.⁶

¹ Tex. Occ. Code subtitle A-1, ch. 2022-31.

² 16 Tex. Admin. Code ch. 301-323.

³ 16 Tex. Admin. Code § 313.22.

⁴ 16 Tex. Admin. Code §§ 301.1(b)(34)(A), 313.301(a).

⁵ 16 Tex. Admin. Code § 313.301(a).

⁶ 16 Tex. Admin. Code § 313.303(a).

The Act requires the Commission to issue an owner's license to a qualified person on application and payment of the license fee.⁷ The Act further gives the Commission authority to issue a temporary owner's license:

- (a) Pending investigation of an applicant's qualifications to receive an original or renewal license, the [C]ommission may issue a temporary license to an applicant under this subchapter whose application appears to comply with the requirements of law and who has paid the necessary fee.
- (b) The temporary license is valid for a period not to exceed 120 days following the date of issuance.⁸

To obtain an owner's license, a person must be the "owner of record of a properly registered horse that the person intends to race in Texas."⁹ An applicant for an owner's license must submit a complete set of fingerprints to the Commission.¹⁰ The fingerprints must be submitted with the application documents.¹¹ If fingerprints are required, they must be submitted to law enforcement and a criminal background report must be obtained.¹² However, a temporary license may be granted before the criminal background report is received.¹³

If an owner is unable to complete the owner's license application due to absence or illness, the licensed trainer desiring to enter a horse in a race may "apply for an emergency owner's license on behalf of the absent owner."¹⁴ The trainer must submit a written statement with the license application specifying the reasons as to why the owner is unable to complete the application.¹⁵

⁷ Tex. Occ. Code § 2025.254.

⁸ Tex. Occ. Code § 2025.260.

⁹ 16 Tex. Admin. Code § 311.101(a)(1).

¹⁰ Tex. Occ. Code § 2025.003(a).

¹¹ 16 Tex. Admin. Code § 311.3(a)(1).

¹² 16 Tex. Admin. Code § 311.3(b).

¹³ Tex. Occ. Code § 2025.003(e).

¹⁴ 16 Tex. Admin. Code § 311.101(g)(1).

¹⁵ 16 Tex. Admin. Code § 311.101(g)(2).

A person wishing to protest a claim must file the protest with the stewards less than one hour after the stewards declared the race official.¹⁶ The stewards may then conduct an inquiry, and refer the protest to the Commission.¹⁷ Those matters are referred to the State Office of Administrative Hearings (SOAH) for a contested case hearing.¹⁸ In this contested case, Petitioner has the burden of proving that the claim was invalid by a preponderance of the evidence.¹⁹

III. EVIDENCE

At the hearing, Petitioner had 17 exhibits admitted into evidence²⁰ and presented one witness, Thomas Amoss, the trainer and agent for Petitioner. Staff had 14 exhibits²¹ admitted and presented seven witnesses: Matthew Siciliano, the Clerk of Scales at Sam Houston Race Park; Dinore Chiu, a License Specialist 2 at the Commission; Connie Estes, the Director of Licensing at the Commission, a licensed test barn supervisor, and a Steward; Becky McDowell, a Clerk of the Course and Claims Clerk at Sam Houston Race Park; James Leatherman, the Racing Secretary at Sam Houston Race Park; Anne Alley, a Commission Steward; and Fred Winch, a Commission Steward.

A. Petitioner's Evidence

1. Thomas Amoss

Mr. Amoss is a long-time thoroughbred horse trainer. He has trained horses that raced in every state that has approved horse racing. He explained that a claiming race is basically a “for sale” race, meaning the horse can be purchased, or claimed, by a licensed owner. He stated the

¹⁶ 16 Tex. Admin. Code § 313.312.

¹⁷ 16 Tex. Admin. Code § 307.61.

¹⁸ 16 Tex. Admin. Code § 307.31(c), .33.

¹⁹ 1 Tex. Admin. Code § 155.427. Because this is not an appeal of a decision made by the stewards following a hearing, the burden of proof does not fall under 16 Texas Administrative Code § 307.67(c).

²⁰ Petitioner Exs. A through Q.

²¹ Staff Exs. A through N.

sale price is predetermined before the race. He is the trainer for Petitioner's horse, Runningwscissors, and entered the horse in the claiming race at issue in this case.

Mr. Amoss opined that the rules limiting the ability to file a claim to specified individuals were intended to protect the horse population from being removed from the state. He stated he had 70 horses entered in claiming races, all of which were claimed, in the last racing year. He had never previously filed a protest regarding a claiming race. He protested this one because he realized, based on what he knew about the person claiming the horse, that the person was not qualified to claim a horse. He based this upon his own experience when he tried to claim a horse for an unlicensed owner who wanted to get an expedited license to file a claim. He was told that the owner could not get a license to claim a horse because the expedited licensing procedure was only available to owners who were intending to race a horse at the track on that day, not to persons who merely wanted to claim a horse.

Mr. Amoss protested the race within 15 minutes of the race. He was told he had to call back in the morning. He called and was told that his protest was denied without a formal hearing. He called an attorney at that point.

Mr. Amoss based his protest in part on an experience in Kentucky, where he placed a claim and received the horse. It was later determined that he had filled out the claiming form incorrectly; therefore, the sale was invalidated. Mr. Amoss was required to return the horse and pay a fine. He suggested that the same result is required in this case.

Mr. Amoss stated the purpose of placing a horse in a claiming race was not to sell the horse. Rather it was a risk the owner took in order to vie for the purse.

Mr. Amoss admitted Runningwscissors had never previously raced in Texas. He had brought the horse from New Orleans to race in Texas, and he had raced the horse in other states as well. Mr. Amoss said the horse won the claiming race at Sam Houston Race Park.

B. Staff's Evidence

1. Matthew Siciliano

Mr. Siciliano is employed at Sam Houston Race Park as the Clerk of Scales. He has multiple responsibilities in enforcing the various procedures applicable to the races. He has been in the racing industry for 40 years. He took the pre-race information regarding Runningwscissors, including the identity and weight of the jockey and the medication the horse was taking. He pointed out that the horse had raced in multiple jurisdictions in claiming races around the country prior to the race at Sam Houston Race Park. He stated that the claiming amount for the race at issue was \$25,000. The other claiming races Runningwscissors had raced in were similar in claiming amount, which Mr. Siciliano stated indicated that the race was at the right competition level for the horse.

2. Dinore Chiu

Ms. Chiu is employed by the Commission as a License Specialist 2. She works primarily at Sam Houston Race Park.

Ms. Chiu testified regarding applications for licensure as an owner. In this case, Mr. Engelhart applied for an owner's license by email.²² Mr. Engelhart signed the application on March 13. Ms. Chiu explained that owners may appoint an agent to act on the owner's behalf. The owner has to execute a form appointing the agent and stating the authority the agent is allowed. In this case, Mr. Engelhart emailed a form appointing J. R. Caldwell as his agent and giving him authority to claim in Mr. Engelhart's name.²³ Mr. Caldwell came into Ms. Chiu's office and signed Mr. Engelhart's agent authorization form as his agent on March 17, 2020.

According to Ms. Chiu, if the owner is missing certain items required by the application, but owns a horse with the intention of racing the horse in Texas, the Commission issues an

²² Staff Ex. F.

²³ Staff Ex. F.

emergency license, and gives an expiration deadline to allow the applicant time to get the missing information submitted. In this case, she admitted, Mr. Engelhart did not submit fingerprints. She gave him a deadline to produce the fingerprints and granted the license application on a temporary basis. She explained that because of the COVID-19 pandemic, many people were unable to get fingerprints because the places where fingerprints were taken were not open. She noted there are fingerprinting services on site at the racetrack; however, those services have been closed due to the COVID-19 pandemic. Mr. Engelhart lived in New York City and Ms. Chiu was aware that all the places in the vicinity of New York City were closed. Ms. Chiu acknowledged that if Mr. Engelhart had been in Texas on March 17, 2020, he could have done a fingerprint in her office as they were still doing fingerprints at that time.

Ms. Chiu testified that Mr. Engelhart stated in his application that he was licensed in multiple other states. Mr. Engelhart answered “yes” to the question as whether he had a license revoked or suspended. This answer was not actually correct because the question referred only to current suspensions and Mr. Engelhart had been suspended in 2016, and had no current suspensions. Even though the answer was not accurate, she had to get the application approved by a Steward because he answered “yes” to the question. She went to Mr. Winch, who was a Steward, to get approval for the application.

Ms. Chiu explained that Commission Rule 301.101(g), which addressed the conditions necessary for granting an emergency owner’s license, did not apply in this case because Mr. Engelhart applied for the license, not his agent. Therefore, the scenario under which an emergency license was granted to Mr. Engelhart was different. She is not required to confirm that a horse exists or that there is an intention to race in Texas in order to issue a temporary license. She stated it is presumed that if the applicant has a registered horse and is filing an owner’s license application, the applicant intends to race the horse in Texas. She explained that a temporary license is customarily issued when an application is submitted without fingerprints.

3. Connie Estes

Ms. Estes is the Director of Licensing at the Commission, a test barn supervisor, and a Steward. Ms. Estes stated that many extensions have been granted on fingerprint cards on license

applications because of the COVID-19 pandemic. She stated that if a person has a horse that the person intends to race in Texas but is unable to complete the application because the person is absent from the state, the Commission issues an emergency license. They then allow the applicant 21 days to forward the missing fingerprints. Mr. Engelhart was given an emergency license and a deadline for submitting fingerprints. However, because the fingerprint stations were all closed in New York, Mr. Engelhart was given another extension on the deadline to supply fingerprints.

Ms. Estes stated that Commission Rule 311.101(g)(1) doesn't apply in this case because the owner, not the trainer, made the application.²⁴ She stated the license that was issued was an emergency license. She acknowledged that no trainer's statement was submitted with the application explaining why the owner could not submit a complete application.

4. Becky McDowell

Ms. McDowell was employed by Sam Houston Race Park as a Clerk of the Course and Claims Clerk on March 17, 2020. She was responsible for processing claims made in claiming races. She supplies the information regarding claims made on a particular horse to the Stewards, and the Stewards then call her back and let her know if the claims are valid.

Ms. McDowell processed the claim on Runningwscissors by Mr. Engelhart.²⁵ She determined that J. R. Caldwell was authorized to claim for Mr. Engelhart, and that Mr. Engelhart had a license on file.

5. James Leatherman

Mr. Leatherman works for Penn Gaming which is an enterprise that manages Sam Houston Race Park. Through his job with Penn Gaming, he was the racing secretary at Sam Houston Race Park on March 17, 2020. As the racing secretary, he writes the condition book that lists the races

²⁴ 16 Tex. Admin. Code § 311.101(g)(1).

²⁵ Staff Ex. E at 9-11.

that trainers may choose to enter each day. If the race is a claiming race, the condition book states the amount of the claim. He and his team take entries beginning seven days before the race. Once the race is full, they close the race to additional entries.

Mr. Leatherman testified that he signed the documents transferring ownership of Runningwscissors based on the \$25,000 claim filed by Mr. Engelhart on March 17, 2020.²⁶

6. Anne Alley

Ms. Alley is a Steward employed by the Commission. She has been licensed as a Steward in Texas for 12 years. She was previously licensed in California as a Steward as well. She stated that Stewards oversee and supervise all claims filed at the racetracks. According to Ms. Alley, the Steward checks with the claims clerk to determine if the license is valid and that there is the amount of money in the claims account needed to cover the claim.

Ms. Alley was aware that Mr. Amoss called in and made a protest in regard to the claim against Runningwscissors. She stated that on the day of the race, March 17, 2020, her job was to determine the order of horses finishing the race by reviewing videos of races after the races are run, and did not involve dealing with claims. However, she overheard the conversation between Mr. Amoss and another Steward, Mr. Sidener. She said that Mr. Amoss expressed concern that Mr. Engelhart did not have a valid license. She said it was verified that Mr. Engelhart had a valid license in the file, contrary to Mr. Amoss's complaint.

Ms. Alley said the Stewards have the responsibility for authorizing the transfer of ownership. She said before the race, the claims clerk lets the Steward know that there is a claim. The claims clerk validates the license and the amount deposited in the claim fund. The authorization of ownership transfer is approved even before the horse runs the race. If the Stewards get a protest over a claim, they would let the claiming trainer and the protestant know that the claim is under review. In her experience, there have only been two or three protests of claims. In this case, the Steward reviewed the protest and the claim and determined the claim was valid.

²⁶ Staff Ex. F at 7.

7. Fred Winch, Jr.

Mr. Winch is a Steward employed by the Commission. He has been a Steward since 1998. Mr. Winch approved Mr. Engelhart's license application on March 17, 2020.²⁷ He explained that he reviewed the prior license suspension that Mr. Engelhart reported on his application and determined his license had been reinstated before he approved the license. He stated he did not approve the issuance of an emergency license to Mr. Engelhart. He explained that an emergency license application is made by a trainer or agent on behalf of an owner. In this case, Mr. Engelhart made the application himself. Mr. Winch stated that if the licensing division treated Mr. Engelhart's license as an emergency license, that was their determination, not his. He stated if an applicant owns a horse, the Stewards assume the applicant intends to run the horse in Texas. He stated that it is not his responsibility to determine whether a license can be issued without fingerprints. He was not aware that the purpose of Mr. Engelhart's application was to make a claim on a horse. He stated that it is not against the racing rules to obtain a license for the purpose of claiming instead of racing. He stated that Mr. Engelhart only had to show that he was the owner of a race horse to meet the conditions for licensure. Mr. Winch did not personally verify whether the horse Mr. Engelhart stated he owned actually existed.

Mr. Winch did not conduct a criminal history investigation of Mr. Engelhart. He did review the racing violations Mr. Engelhart was charged with in the past before approving his application for a license.

Mr. Winch was asked to review Mr. Amoss's protest following the ninth claiming race on March 17, 2020. He made a written statement regarding the events of that day.²⁸ According to his statement, before the race, all three Stewards reviewed the amount on deposit for the claim and claimant's license and agent authorization and they determined the claim was valid. After the race, he wrote, Mr. Amoss called and protested that Mr. Engelhart's license was not valid, and therefore the claim was not valid. Mr. Winch stated that he told Mr. Amoss he had determined that the claim was valid, and that Mr. Engelhart had a valid license. The next morning, Mr. Amoss called back

²⁷ Staff Ex. F at 4.

²⁸ Staff Ex. E at 13.

and again stated his contention that Mr. Engelhart's license was not valid. Mr. Winch told Mr. Amoss he would review the license again. He passed it to the other Stewards to review as well. After doing so, Mr. Winch determined that the license was in fact valid and informed Mr. Amoss of that finding. Later, Mr. Amoss retained an attorney who contacted Mr. Winch regarding the protest. Mr. Winch forwarded the results of his review of the licensing validity to the attorney. Then the attorney filed an appeal with the Commission.

Mr. Winch stated that the transfer of ownership of Runningwscissors was handled by the Clerk of the Race. However, the transfer authorization had to be signed by a Steward.²⁹ He did not sign the transfer authorization.

IV. ANALYSIS

Applying the law and evidence discussed above, the ALJ finds that Petitioner failed to prove by a preponderance of the evidence that Mr. Engelhart did not possess a valid owner's license, and therefore his claim for Runningwscissors was not valid.

Only a person with a valid owner's license or his agent, or a person who has applied for an owner's license and has been granted approval by the stewards to make the claim, may file a claim in a claiming race.³⁰ Petitioner contends that the Commission's award of an owner's license to Mr. Engelhart was in contravention of the racing rules, and therefore he did not have a valid license. Without a valid license, Petitioner argues, Mr. Engelhart's claim to Runningwscissors should not have been approved. Therefore, the claim should be invalidated and the horse returned to Petitioner.

Petitioner argues that Mr. Engelhart should not have been granted a license because he did not comply with two requirements of the Act and Commission rules: (1) the applicant must be the

²⁹ Staff Ex. E at 11.

³⁰ 16 Tex. Admin. Code § 313.301(a).

owner of record of a properly registered horse that the person intends to race in Texas,³¹ and (2) an applicant must submit fingerprints with the license application.³²

It is uncontested that Mr. Engelhart submitted information that he was the owner of a properly registered racehorse. Petitioner argued that the Stewards were required in addition to investigate whether Mr. Engelhart intended to race that horse in Texas. Both Ms. Chiu and Mr. Winch testified that intent to race a horse in Texas was presumed if someone applied for a license and had a registered racehorse. No rule or provision in the Act requires the Stewards to investigate whether a person has intent to race, nor does the applicable law define the required intent or provide any criteria for determining whether that intent exists. Petitioner suggests that the fact that Mr. Engelhart lived out of state and had never previously raced a horse in Texas would raise red flags. However, neither of those facts proved that Mr. Engelhart did not have intent to race at some point in Texas in the future. The determination of whether a person has intent to race in Texas is left to the discretion of the Stewards, who are authorized to resolve a question “that is not covered by the Act or the Rules, . . . in conformity with custom, precedent, justice, and the best interest of racing.”³³ Therefore, the evidence did not support a finding that Mr. Engelhart’s license was not validly granted.

Petitioner also contends that Mr. Engelhart’s license was not valid because he did not submit fingerprints at the time he submitted his application, in violation of the Act and Commission rules.³⁴ Although fingerprints are required by the Act to be submitted by an applicant, the Commission witnesses testified that a temporary owner’s license can be issued without fingerprints on file at the time of the application, so long as the fingerprints are submitted within a specified time period after the temporary license is approved. In support, Staff cites Act § 2025.260:

- (a) Pending investigation of an applicant’s qualifications to receive an original or renewal license, the [C]ommission may issue a temporary license to an

³¹ 16 Tex. Admin. Code § 311.101(a)(1).

³² Tex. Occ. Code § 2025.003; 16 Tex. Admin. Code § 311.3(a)(1).

³³ 16 Tex. Admin. Code § 313.22(a).

³⁴ Tex. Occ. Code § 2025.003; 16 Tex. Admin. Code § 311.3(a)(1).

applicant under this subchapter whose application appears to comply with the requirements of law and who has paid the necessary fee.

- (b) The temporary license is valid for a period not to exceed 120 days following the date of issuance.³⁵

Petitioner argues that “pending investigation of an applicant’s qualifications” only permits the Commission to issue a temporary license while the criminal background check is being conducted, not prior to fingerprints being submitted. However, the statute does not state that fingerprints must be submitted prior to the approval of a temporary license. “Investigation of an applicant’s qualifications” can be interpreted under the broad and nonspecific language of the statute to include the submission of fingerprints.

The Commission’s rule regarding fingerprints supports this interpretation. The title of the rule is “Information for Background Investigation.”³⁶ The rule states that fingerprints must be submitted “with the application.” Petitioner contends this means contemporaneously with the application. However, when read in its entirety and in conjunction with the Act, the rule indicates that fingerprints are part of the background investigation, including the criminal history, that may be submitted after a temporary license is approved, but prior to the approval of the application for a permanent license. Neither the Act nor the rules state that a temporary license may not be granted before the fingerprints are submitted. Therefore, the Stewards have discretion under the Act and the Commission rules to grant a temporary license prior to the submission of fingerprints.

Accordingly, the ALJ finds that Petitioner’s allegation that Mr. Engelhart’s license is not valid is not supported by the evidence presented and the applicable law, and Mr. Engelhart’s claim to Runningwscissors is therefore valid.

V. FINDINGS OF FACT

1. Joel Politi (Petitioner) holds Texas Racing Commission (Commission) owner’s license No. 164108, which expires on January 31, 2021.

³⁵ Tex. Occ. Code § 2025.260. Many of the witnesses used the description “emergency” license interchangeably with “temporary” license. However, all the witnesses agreed that Commission Rule 311.101(g)(1), which describes the conditions for emergency licenses, did not apply in this case. 16 Tex. Admin. Code § 311.101(g)(1).

³⁶ 16 Tex. Admin. Code § 311.3(a).

2. On March 17, 2020, Petitioner's trainer and authorized agent, Thomas Amoss, entered Petitioner's thoroughbred racehorse, Runningwscissors, in the ninth claiming race at Sam Houston Race Park in Houston, Texas.
3. Prior to the race, Jeffrey Englhart submitted by email an application for an owner's license, stating that he owned a duly registered racehorse and identifying the horse. The application was signed March 13, 2020.
4. Mr. Engelhart, who resided in New York City, was unable to submit fingerprints with his application due to closures of fingerprinting facilities resulting from the COVID-19 pandemic.
5. On March 17, 2020, the Commission granted Mr. Engelhart a temporary owner's license, and gave him a deadline of 21 days to submit fingerprints.
6. Mr. Engelhart also submitted a valid agent authorization form, authorizing J. Roscoe Caldwell to act as his agent with the application. Mr. Caldwell signed the authorization as agent on March 17, 2020.
7. After receiving the temporary license, and before the ninth claiming race, Mr. Caldwell placed a claim on Runningwscissors on behalf of Mr. Engelhart.
8. Before the 3:57 pm. advertised post time of the ninth race, the Board of Stewards of Sam Houston Race Park (Stewards) received the completed claim form for Runningwscissors. The Stewards reviewed the claim, confirmed the owner and trainer/agent licenses were valid, and confirmed proper funds were in the owner's account.
9. The ownership of the horse was transferred to Mr. Engelhart.
10. Mr. Amoss protested the validity of the claim within an hour of the race being declared official.
11. The Stewards conducted an inquiry based on Mr. Amoss's protest and determined the claim was valid the following day.
12. On April 4, 2020, Petitioner filed his protest with the Commission.
13. Commission Staff referred Petitioner's protest to the State Office of Administrative Hearings (SOAH) on April 16, 2020, for a contested case hearing.
14. On April 20, 2020, Staff sent Petitioner the Notice of Hearing. The Notice of Hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and either a short, plain statement of the factual matters asserted or an attachment that incorporated by reference the factual matters asserted in the complaint or petition filed with the state agency.
15. Pursuant to Petitioner's motion to expedite the hearing, Administrative Law Judge (ALJ) Joanne Summerhays set and convened the hearing by video conference via Zoom on

June 11, 2020. Attorney Virginia Fields represented Commission Staff. Petitioner was represented by attorney Stephanie Potter. The record was held open to allow the parties to file written closing arguments and closed on June 22, 2020.

VI. CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to the Texas Racing Act (Act). Tex. Occ. Code § 2023.001.
2. SOAH has jurisdiction over matters related to the hearing in this proceeding, including the authority to issue a proposal for decision with proposed findings of fact and conclusions of law. Tex. Gov't Code ch. 2003; 16 Tex. Admin. Code § 307.31(c).
3. Timely and adequate notice was given in this case. Tex. Gov't Code §§ 2001.051-.052.
4. The Commission's stewards have authority over the conduct of each race and all licensees at a racetrack during a race meeting. If a question arises during a race meeting regarding the operations of a racetrack or the conduct of racing that is not covered by the Act or the Rules, the stewards shall resolve the question in conformity with custom, precedent, justice, and the best interest of racing. 16 Tex. Admin. Code § 313.22(a).
5. A person protesting an action of the stewards may file a request for a contested case hearing at the Commission, and those protests are referred to SOAH for hearing. 16 Tex. Admin. Code § 307.67.
6. Petitioner has the burden of proof at the hearing on the merits by a preponderance of the evidence. 16 Tex. Admin. Code §§ 307.31(c), .33; 1 Tex. Admin. Code § 155.427.
7. A "claiming race" is a race in which a qualified person can make a claim on a horse and purchase it for a price set before the race. 16 Tex. Admin. Code §§ 301.1(b)(34)(A); 313.301(a).
8. The Act requires the Commission to issue an owner's license to a qualified person on application and payment of the license fee. Tex. Occ. Code § 2025.254.
9. The Commission may issue a temporary license to an applicant pending investigation of an applicant's qualifications to receive the license. Tex. Occ. Code § 2025.260.
10. Fingerprints are part of the background investigation of an applicant, and must be submitted with a license application. 16 Tex. Admin. Code § 311.3(a).
11. The Stewards had discretion under the Act and the Commission rules to grant a temporary license to Mr. Engelhart prior to the submission of fingerprints. Tex. Occ. Code § 2025.260; 16 Tex. Admin. Code § 313.22(a).
12. Mr. Engelhart had a valid claim to Runningwscissors because he was a licensed owner. Mr. Caldwell was an authorized agent acting on behalf of Mr. Engelhart. 16 Tex. Admin. Code § 313.301(a).

13. Mr. Engelhart became the owner of Runningwscissors when the horse stepped onto the racetrack to race. 16 Tex. Admin. Code § 313.303(a).
14. The evidence was not sufficient to prove that Mr. Engelhart's claim to Runningwscissors was not valid. 16 Tex. Admin. Code §§ 307.31(c), .33; 1 Tex. Admin. Code § 155.427.
15. The Commission should deny Petitioner's protest and uphold the decision of the Stewards that Mr. Engelhart's claim to Runningwscissors was valid.

SIGNED July 9, 2020.



**JOANNE SUMMERHAYS
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS**

IN RE: THE APPEAL OF §
JOEL POLITI FROM § BEFORE THE
STEWARDS PROTEST FINDING § TEXAS RACING COMMISSION
§

ORDER OF THE COMMISSION

On September 29, 2020, the Texas Racing Commission (“Commission”) considered in open meeting the appeal of Joel Politi, (“Petitioner”), Owner license number 164108, from Stewards’ protest inquiry finding on or about March 17, 2020. The Commission hereby makes the following findings based on the record of this matter:

- (a) On March 17, 2020, Petitioner’s trainer and authorized agent, Thomas Amoss, entered Petitioner’s thoroughbred racehorse, Runningwscissors, in the ninth race at Sam Houston Race Park in Houston, Texas.
- (b) Prior to the claiming race Jeffrey Englehart submitted by email an application for an owner’s license. On March 17, 2020, the Commission granted Jeffrey Englehart a temporary owner’s license and gave him a deadline of 21 days to submit fingerprints. Mr. Englehart also submitted a valid agent authorization form authorizing J. Roscoe Caldwell to act as his agent with the application. Mr. Caldwell signed the authorization as agent.
- (c) On March 17, 2020, before the advertised post time of the ninth race, the Board of Stewards of Sam Houston Race Park (Stewards) received the completed claim form for Runningwscissors from the authorized agent for the claimant, Jeffrey Englehart. The Stewards reviewed the claim, confirmed the owner and trainer/agent licenses were valid and confirmed proper funds were in the owner’s account.
- (d) Mr. Amoss protested the validity of the claim within an hour of the race being declared official.

(e) The Stewards conducted an inquiry based on Mr. Amoss’s protest and determined the claim was valid the following day.

(f) On April 4, 2020, Petitioner filed his protest with the Commission.

(g) On or about June 11, 2020 the Administrative Law Judge (“ALJ”) conducted a hearing and closed the record on June 22, 2020. On July 9, 2020, the ALJ issued a proposal for decision finding the Stewards ruling was not clearly in error.

IT IS HEREBY ORDERED that the findings of fact and conclusions of law in the proposal for decision, attached to this order and incorporated herein by reference, are adopted in full. The Stewards’ finding of the validity of the claim after protest is upheld in all respects. If enforcement of this order is restrained by an order of a court, this order takes effect on a final determination by that court or an appellate court in favor of the Texas Racing Commission.

ISSUED AND ENTERED the ____ day of _____ 2020.

John T. Steen III, Chair

Ronald F. Ederer, Vice Chair

Connie McNabb, DVM

Michael Moore

Robert C. Pate

Arvel Waight, Jr.

Margaret Martin

Steven Mach

Tim Kleinschmidt

VII. EXECUTIVE SESSION

The following items may be discussed and considered in executive session or open meeting, with any action taken in the open meeting:

- A. Under Texas Government Code § 551.071(1), the Commission may enter an executive session to seek the advice of its attorney regarding pending or contemplated litigation, or regarding a settlement offer.
- B. Under Texas Government Code § 551.071(2), the Commission may enter an executive session to discuss all matters identified in this agenda where the commission seeks the advice of its attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas. This may include, but is not limited to, legal advice regarding the Open Meetings Act, the Administrative Procedures Act, and the Texas Racing Act.
- C. Under Tex. Occ. Code § 2025.005, the Commission may enter an executive session to review security plans and management, concession, and totalisator contracts.

VIII. SCHEDULING OF NEXT COMMISSION MEETING

IX. ADJOURN