

**Texas Racing Commission Study Committee Meeting**  
**Current State of Horse and Greyhound Racing in Texas**  
**October 6, 2010**  
**Time: 10:30 a.m.**  
**Reagan Building**  
**Austin, Texas**

**Purpose for the Committee Meeting**

The racing industry in Texas is suffering through a substantial decline, and members of Texas Government have taken notice. The committee meeting will help fulfill a request by the leadership of Texas. During its 81<sup>st</sup> Regular Session, the Legislature passed House Concurrent Resolution 252. That resolution called upon the governor to appoint a task force to study issues related to revitalizing the racing industry in the state. The governor vetoed the bill, noting that the Texas Racing Commission is responsible for regulating the racing industry in Texas. In the veto, the governor requested that the Commission work to meet the intent of the resolution.

**Objectives/Issues for Consideration**

- Identify ways to support and promote horse and greyhound racing and breeding programs in Texas
- Identify guidelines for increasing revenue and creating more jobs within the industry
- Identify ways to improve the working/living conditions for those who work and reside in and around racetracks
- Develop methods to enhance participation in and enjoyment of the sport

**Committee Members**

- Co-Chair, Commissioner Ronald Ederer
- Co-Chair, Commissioner Gloria Hicks
- Commission Vice Chair Robert Schmidt
- Commissioner Kent Carter, D.V.M.
- Commissioner Ann O'Connell

**Industry Advisory Group Members**

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|------------------|-----------------------|
| • Sally Briggs   | • Joe Quinn           |
| • Bryan Brown    | • Dr. Jacqueline Rich |
| • Dave Hooper    | • Diane Whiteley      |
| • Phil Leckinger | • Tammy L. Wincott    |

**Primary Topics**

**National View of Thoroughbred Racing**

*What's happening in other states? What can Texas do to support Thoroughbred racing and breeding programs? What ideas are there to enhance participation in and enjoyment of the sport?*

**National View of Quarter Horse Racing**

*What's happening in other states? What can Texas do to support Quarter Horse racing and breeding programs? What ideas are there to enhance participation in and enjoyment of the sport?*

## Primary Topics (Continued)

### Successful Breeding Programs

*What factors help to make a successful breeding program? What could Texas do to improve its program?*

### County Fair and Festival Racing

*Attendance is stable and live handle was actually up this year at Gillespie County Fair and Festivals. What is Gillespie County Fair and Festivals doing right? What could other tracks emulate?*

### Advanced Deposit Wagering

*The amount wagered using ADWs continues to grow throughout North America. What are the true financial effects of ADWs? How might the authorization of ADW affect the Texas market? What might revenue estimates be for increased dollars to the state and industry?*

### Exchange Wagering

*Legislation in California passed recently to allow exchange wagering. What policy changes were necessary in California for the bill to pass? What are the expected results in California, the impacts of exchange wagering elsewhere, and the policy changes that would be required for implementation in Texas?*

### Racetrack Workers

*Thousands of individuals work at tracks across the state. What are the current working and living conditions like? What needs improvement? What are some ideas to provide that improvement?*

### Interstate Compact and Consistent Racing Regulation Nationwide

*The interstate racing compact has the potential to facilitate state regulation of racing and wagering. What are the potential effects of the compact on racing in general and on Texas specifically? What sorts of changes generally are occurring to racing statutes across the country?*

## Other Topics/Trends Facing Texas Racing Industry for Possible Discussion

- Competition from Unregulated Sources
  - Eight-liner Machines
  - Online Gambling
- Unregulated Racing
- National and Regional Racing Competition
  - Hybrid establishments like Racinos (pari-mutuel facilities with other forms of on-site gaming available) exist in other states throughout the region
  - Tracks in states without alternative forms of gaming have cut racing opportunities
  - Texas tracks have slashed the number of live racing dates
  - The average purse in Texas lags behind states where alternative forms of gaming exist
  - Simulcast signals from other racetracks have replaced the live race opportunities
- Fewer racing opportunities/less overall money available = reduced incentive for Texas breeders
- Pool of Texas-based owners, trainers and jockeys is dwindling
- Racing-related businesses, such as stables, hay suppliers, tack vendors and food service businesses that provide products or services either to the associations or to the occupational licensees or both also suffer

## Deliverable

A report to the Texas Legislature and state leadership identifying key priorities for the industry to help revitalize the racing industry in the state. The report is due on January 11, 2011.