



TEXAS RACING COMMISSION

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

Texas Racing Commission
Tuesday, March 1, 2011
10:30 a.m.
Animal Health Commission
2105 Kramer Lane
Auditorium
Austin, Texas 78758

AGENDA

- I. CALL TO ORDER**
 - Roll Call

- II. CEREMONIAL ITEMS**
 - A. Recognition of Commissioner Clowe
 - B. Welcome New Public Safety Commission Designee

- III. PUBLIC COMMENT**

- IV. GENERAL BUSINESS**

Discussion, consideration, and possible action on the following matters:

 - A. Reports by the Interim Executive Director and Staff regarding Administrative Matters
 - 1. Budget and Finance Update
 - 2. Report on Racetrack Inspections
 - 3. Report on Wagering Statistics
 - 4. Enforcement Report
 - 5. Report on Status of Sunset Legislation and Legislative Proposals by the 82nd Texas Legislature, Regular Session

- B. Update by the Chair of the Executive Director Search Committee
- C. Report by Chair of Rules Committee

V. PROCEEDINGS ON OCCUPATIONAL LICENSES

Request by Jacky Martin for an Amendment to Commission Order TXRC 2007-02-02; *In Re: The Appeal by Jacky Martin from Stewards' Ruling Sam Houston Race Park 3871*

VI. PROCEEDINGS ON RACETRACKS

- A. Discussion on the following matters:
 - 1. Report on Application to Change Ownership and Location of Longhorn Downs/Austin Jockey Club
 - 2. Report on Request by MAXXAM Inc. to Change Ownership of Sam Houston Race Park, Valley Race Park, and Laredo Race Park
 - 3. Report on Request by Laredo Downs for Conditional Approval to Change Location
 - 4. Report on Request by Lone Star Park for Approval of 100% Change of Ownership
- B. Discussion, Consideration, and Possible action on the following matters:
 - 1. Request by Austin Jockey Club for Approval of Three (3) Changes of Ownership of Less than 5%
 - 2. Allocation of Live Race Dates to Manor Downs under Commission Rule 303.41 for the Period beginning January 1, 2011, and ending August 31, 2012
- C. Progress Reports by Inactive Racetrack License Holders on Preparations to Begin Live Racing
 - 1. Progress Report by Austin Jockey Club
 - 2. Progress Report by Saddle Brook Park
 - 3. Progress Report by Valle de los Tesoros
 - 4. Progress Report by Laredo Downs
 - 5. Progress Report by Laredo Race Park

VII. PROCEEDINGS ON RULEMAKING

Discussion, consideration, and possible action on the following matters:

Rule Proposals

- A. Proposal to Amend Rule 313.110, Coupled Entries
- B. Proposal to Amend Rule 319.111, Bleeders and Furosemide Program

Rule Adoptions

- C. Adoption of Amendment to Rule 307.62, Disciplinary Hearings
- D. Rule Adoptions under Chapter 321, Pari-mutuel Wagering
 - 1. Adoption of New Rule 321.12, Time Synchronization
 - 2. Adoption of Amendment to Rule 321.15, License to Provide Totalisator Services
 - 3. Adoption of Amendment to Rule 321.23, Wagering Explanations
 - 4. Adoption of New Rule 321.46, Payment on No Ticket Issue
 - 5. Adoption of Amendment to Rule 321.211, Carryover Pools
 - 6. Adoption of Amendment to Rule 321.312, Pick (n)
 - 7. Adoption of New Rule 321.320, Super Hi-Five
 - 8. Adoption of New Rule 321.321, Fortune Pick (n)
 - 9. Adoption of Amendment to Rule 321.417, Emergency Procedures
 - 10. Adoption of Amendment to Rule 321.503, Purses
 - 11. Adoption of Amendment to Rule 321.605, E-Wagering Plan

VIII. EXECUTIVE SESSION

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

- A. Under Government Code Sec. 551.071(1), the Commission may open an executive session to seek the advice of its attorney regarding pending or contemplated litigation, or regarding a settlement offer.
- B. Under Government Code Sec. 551.071(2), the Commission may open an executive session to discuss all matters identified in this agenda where the commission seeks the advice of their attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and to discuss the Open Meetings Act and the Administrative Procedures Act.
- C. Under Texas Racing Act, Tex. Rev. Civ. Stat. Ann. art. 179e, Sec. 6.03, the Commission may open an executive session to review

security plans and management, concession, and totalisator contracts.

- D. Under Government Code Sec. 551.074, the Commission may open an executive session to deliberate the appointment of an executive director.

IX. OLD/NEW BUSINESS

Schedule next Commission Meeting

X. ADJOURN



**Fiscal Year 2011
Operational Budget**

Updated: February 15, 2011

Thru: January 31, 2011

Summary of Operating Revenue
By Revenue Type:

	Budget	Collected	Suspended	Uncollected Balance	%
Account 597 - Racing Commission - GRD	\$ 11,889,130	\$ 6,739,103	\$ 399,548	\$ 5,150,027	43%
Account 1 - State of Texas - GR	\$ -	\$ -	\$ -	\$ -	
TOTAL - ALL REVENUES	\$ 11,889,130	\$ 6,739,103	\$ 399,548	\$ 5,150,027	43%

Summary of Appropriated Operating Expenses

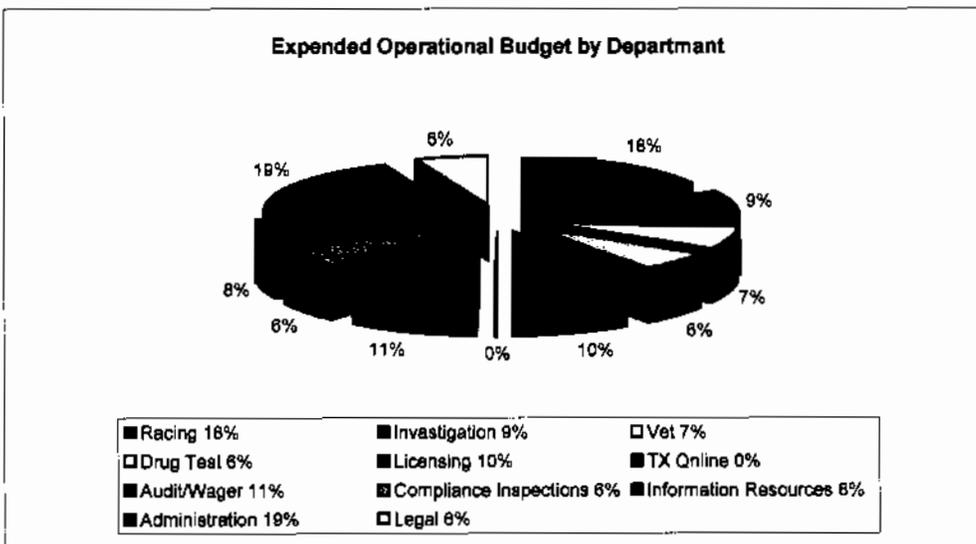
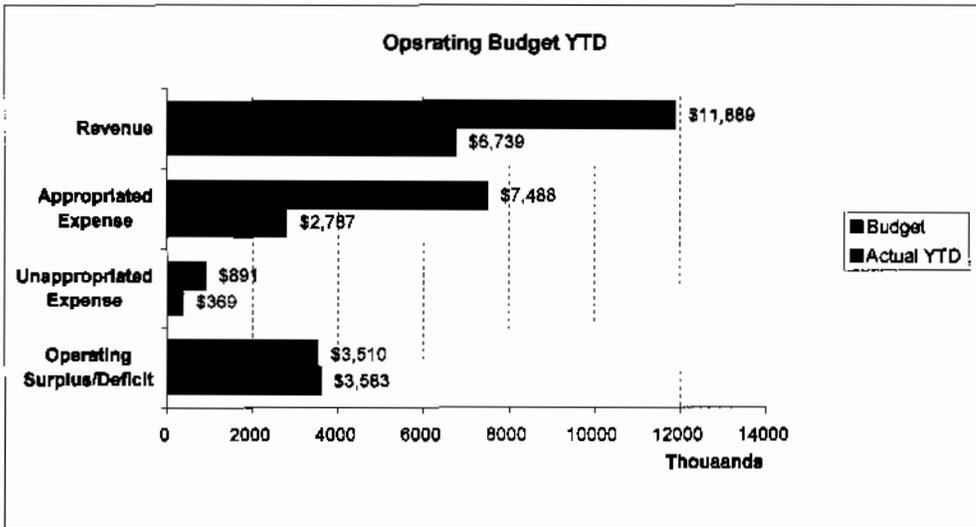
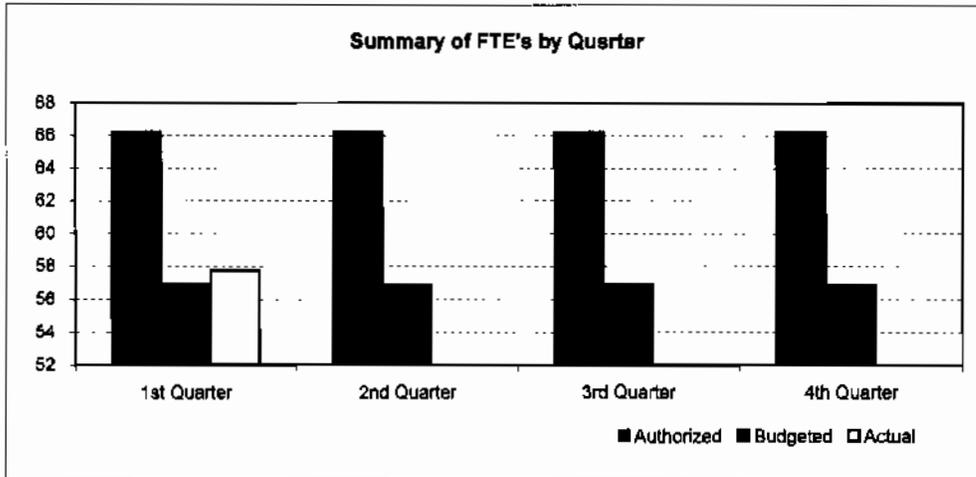
	Budget	Expended	Encumbered	Unexpended Balance	%
1001 - Salaries and Wages:	\$ 3,013,096	\$ 1,204,253	\$ -	\$ 1,808,843	60%
1002 - Other Personnel Cost:	\$ 139,400	\$ 57,663	\$ -	\$ 81,737	59%
2001 - Professional Fees and Services:	\$ 195,000	\$ 31,188	\$ -	\$ 163,812	84%
2003 - Consumable Supplies:	\$ 26,001	\$ 8,211	\$ -	\$ 17,790	68%
2004 - Utilities:	\$ 26,500	\$ 8,914	\$ -	\$ 17,586	66%
2005 - Travel:	\$ 204,415	\$ 32,378	\$ -	\$ 172,037	84%
2008 - Rent Building:	\$ 108,014	\$ 52,249	\$ -	\$ 55,765	52%
2007 - Rent Machines and Other:	\$ 14,500	\$ 4,766	\$ -	\$ 9,714	67%
2009 - Other Operating Expense:	\$ 319,925	\$ 102,721	\$ -	\$ 217,204	68%
4000 - Grants	\$ 3,407,389	\$ 1,284,274	\$ -	\$ 2,123,115	62%
5000 - Capital Expenditures:	\$ 33,800	\$ -	\$ -	\$ 33,800	100%
TOTAL - ALL APPROPRIATED EXPENDITURES	\$ 7,488,040	\$ 2,786,636	\$ -	\$ 4,701,404	63%

Unappropriated Operating Expenses
Type:

	Budget	Expended	Encumbered	Unexpended Balance	%
TOTAL - ALL UNAPPROPRIATED EXPENDITURES	\$ 891,194	\$ 369,128	\$ -	\$ 522,065	59%
TOTAL - ALL EXPENDITURES	\$ 8,379,233	\$ 3,155,764	\$ -	\$ 5,223,469	62%
OPERATING SURPLUS / (DEFICIT)	\$ 3,509,897	\$ 3,583,339			

Summary of FTE's

By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Authorized FTE's	66.20	66.20	66.20	66.20
Budgeted FTE's	56.90	56.90	56.90	56.90
Actual FTE's	57.72			
Actual FTE's Over / (Under) Budget	0.82	-	-	-
Actual FTE's Over / (Under) Authorization	-	-	-	-





**Fiscal Year 2011
Operational Budget
By LBB Obj Code**

Updated: February 15, 2011

Thru: January 31, 2011

Summary of Operating Revenue

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
Cash Balance Carry Forward	\$ 2,800,000	\$ 2,800,000			0%
Live Race Day Fees	\$ 587,170	\$ 176,470		\$ 410,700	70%
Simulcast Race Day Fees	\$ 892,460	\$ 371,430		\$ 521,030	58%
Annual License Fees (Active & Inactive)	\$ 1,265,000	\$ 1,175,000	\$ 399,546	\$ 90,000	7%
Outs	\$ 1,305,725	\$ 662,400		\$ 643,326	49%
Occupational License Fees and Fines	\$ 751,575	\$ 254,391		\$ 497,184	66%
ATB Program Pass Thru Fees	\$ 4,250,000	\$ 1,284,274		\$ 2,965,726	70%
Other Revenue	\$ 37,200	\$ 15,139		\$ 22,061	59%
Account 597 - Racing Commission - GRD	\$ 11,889,130	\$ 6,739,103	\$ 399,548	\$ 5,150,027	43%
State of Texas General Revenue Fund	\$ -	\$ -		\$ -	
Account 1 - State of Texas - GR	\$ -	\$ -	\$ -	\$ -	
TOTAL - ALL REVENUES	\$ 11,889,130	\$ 6,739,103	\$ 399,548	\$ 5,150,027	43%

Summary of Appropriated Operating Expenses

By Division:	Budget	Expended	Encumbered	Unexpended Balance	%
Racing Oversight	\$ 1,743,392	\$ 654,789		\$ 1,088,603	62%
Wagering & Racing Review	\$ 742,462	\$ 315,652		\$ 426,810	57%
Finance & Administration	\$ 527,242	\$ 233,812		\$ 293,430	56%
1001 - Salaries and Wages:	\$ 3,013,096	\$ 1,204,253	\$ -	\$ 1,808,843	60%
Racing Oversight	\$ 82,520	\$ 18,093		\$ 84,427	78%
Wagering & Racing Review	\$ 23,460	\$ 9,500		\$ 13,960	60%
Administration	\$ 33,420	\$ 30,069		\$ 3,351	10%
1002 - Other Personnel Cost:	\$ 139,400	\$ 57,663	\$ -	\$ 81,737	59%
Racing Oversight	\$ 34,000	\$ 17,673		\$ 16,327	48%
Wagering & Racing Review	\$ 138,000	\$ 4,552		\$ 131,448	97%
Finance & Administration	\$ 25,000	\$ 8,963		\$ 16,037	64%
2001 - Professional Fees and Services:	\$ 195,000	\$ 31,188	\$ -	\$ 163,812	84%
Racing Oversight	\$ 2,700	\$ 1,312		\$ 1,388	51%
Wagering & Racing Review	\$ 4,500	\$ 2,450		\$ 2,050	46%
Finance & Administration	\$ 18,801	\$ 4,449		\$ 14,352	76%
2003 - Consumable Supplies:	\$ 26,001	\$ 8,211	\$ -	\$ 17,790	68%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ -	\$ 114		\$ (114)	
Administration	\$ 26,500	\$ 8,800		\$ 17,700	67%
2004 - Utilities:	\$ 26,500	\$ 8,914	\$ -	\$ 17,586	66%
Racing Oversight	\$ 128,050	\$ 17,179		\$ 110,872	87%
Wagering & Racing Review	\$ 37,365	\$ 10,519		\$ 26,846	72%
Finance & Administration	\$ 39,000	\$ 4,680		\$ 34,320	88%
2005 - Travel:	\$ 204,415	\$ 32,378	\$ -	\$ 172,037	84%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 2,700	\$ -		\$ 2,700	100%
Finance & Administration	\$ 105,314	\$ 52,249		\$ 53,065	50%
2006 - Rent Building:	\$ 108,014	\$ 52,249	\$ -	\$ 55,765	52%



**Fiscal Year 2011
Operational Budget
By LBB Obj Code**

Updated: February 15, 2011

Thru: January 31, 2011

Summary of Operating Revenue

	Budget	Expended	Encumbered	Uncollected Unexpended Balance	%
Racing Oversight	\$ 12,000	\$ 4,044		\$ 7,956	66%
Wagering & Racing Review	\$ -	\$ -		\$ -	
Finance & Administration	\$ 2,500	\$ 742		\$ 1,758	70%
2007 - Rent Machine and Other:	\$ 14,500	\$ 4,786	\$ -	\$ 9,714	67%
Racing Oversight	\$ 81,200	\$ 28,721		\$ 52,479	65%
Wagering & Racing Review	\$ 104,910	\$ 34,411		\$ 70,499	67%
Finance & Administration	\$ 133,815	\$ 39,589		\$ 94,226	70%
2009 - Other Operating Expense:	\$ 319,925	\$ 102,721	\$ -	\$ 217,204	68%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 3,407,389	\$ 1,284,274		\$ 2,123,115	62%
Administration	\$ -	\$ -		\$ -	
4000 - Grants	\$ 3,407,389	\$ 1,284,274	\$ -	\$ 2,123,115	62%
Racing Oversight	\$ 33,800	\$ -		\$ 33,800	100%
Wagering & Racing Review	\$ -	\$ -		\$ -	
Finance & Administration	\$ -	\$ -		\$ -	
5000 - Capital Expenditures:	\$ 33,800	\$ -	\$ -	\$ 33,800	100%
TOTAL - ALL APPROPRIATED EXPENDITURES	\$ 7,488,040	\$ 2,786,636	\$ -	\$ 4,701,404	63%

Summary of Unappropriated Operating Expenses

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
OASI Match	\$ 231,165	\$ 94,112		\$ 137,053	59%
Group Insurance	\$ 258,825	\$ 127,313		\$ 131,512	51%
State Retirement	\$ 194,566	\$ 79,998		\$ 114,568	59%
Benefit Replacement	\$ 31,838	\$ 13,100		\$ 18,537	59%
ERS Retiree Insurance	\$ 100,000	\$ 27,425		\$ 72,575	73%
SWCAP GR Reimbursement	\$ 55,000	\$ 26,494		\$ 28,506	52%
Unemployment Cost	\$ 20,000	\$ 685		\$ 19,315	97%
Other	\$ -	\$ -		\$ -	
Unappropriated Operating Expense	\$ 891,194	\$ 369,128	\$ -	\$ 522,065	59%
TOTAL - ALL UNAPPROPRIATED EXPENDITURES	\$ 891,194	\$ 369,128	\$ -	\$ 522,065	59%
TOTAL - ALL EXPENDITURES	\$ 8,379,233	\$ 3,155,784	\$ -	\$ 5,223,469	62%

OPERATING SURPLUS / (DEFICIT) **\$ 3,509,897 \$ 3,583,339**

Summary of FTE's

By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Authorized FTE's	66.20	66.20	66.20	66.20
Budgeted FTE's	56.90	56.90	56.90	56.90
Budgeted FTE's Over / (Under) Authorization	(9.30)	(9.30)	(9.30)	(8.30)
Budgeted FTE's	56.90	56.90	56.90	56.90
Actual FTE's	57.72			
Actual FTE's Over / (Under) Budget	0.82	-	-	-
Actual FTE's Over / (Under) Authorization	-	-	-	-

Texas Racing Commission
Report on Racetrack Inspection Activities
March 1, 2011

Date of Inspection	Track	Type of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
12/17/10	Gillespie Race Barn	Pari-mutuel	0	-	-
12/30/10	Gulf Coast	Pari-mutuel	1	1/13/11	-
1/18/11	Gulf Greyhound	Pari-mutuel	0	-	-
1/26/11	Gulf Greyhound	Veterinary	0	-	-
1/28/11	Gulf Greyhound	Judges	6 ⁱ	Corrective plan received 2/17/11	Re-inspection scheduled for 2/26/11
11/10/10	Lone Star Park	Stewards	0	-	-
12/17/10	Lone Star Park	Pari-mutuel	0	-	-
12/14/10	Retama Park	Pari-mutuel	0	-	-
1/11/11	Sam Houston	Pari-mutuel	0	-	-
1/12/11	Sam Houston	Safety & Security	0	-	-
1/19/11	Sam Houston	Veterinary	0	-	-
1/20/11	Sam Houston	Stewards	0	-	-
12/30/10	Valley	Pari-mutuel	2 ⁱⁱ	1 resolved 1/13/11	1

ⁱ Gulf Greyhound Park – Judges' stand needs cleaning. Communications devices to brake area and starting boxes need repair. Loose boards on tote board need repair. Electrical repairs needed on 7/16 box. Track needs sandbags replaced; escape curtain repairs and lure rail needs welding. 660 yd starting box needs stoppers replaced.

ⁱⁱ Valley Race Park – Mutuel Designee needed to be approved. Public address system is inoperable.

**Texas Racing Commission
Report on Racetrack Inspection Activities
February 15, 2011**

Training Tracks

Date of Inspection	Track	Type of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
1/25/11	Pink Crown	Training	0	-	-
1/25/11	Diamond D	Training	0	-	-
1/25/11	Oak Leaf	Training	4 ⁱⁱⁱ	Remediation plan submitted 2/3/11	Re-inspection scheduled for 3/15/11

Total Inspections: 16

ⁱⁱⁱ **Oak Leaf Training Center** - Timing equipment unavailable for inspection, and verification of calibration. Official work-out records unavailable for inspection. Public postings not posted.



**Texas Pari-Mutuel Racetracks Wagering Statistics
Comparison Report on Total Wagers Placed
in Texas & on Texas Races**

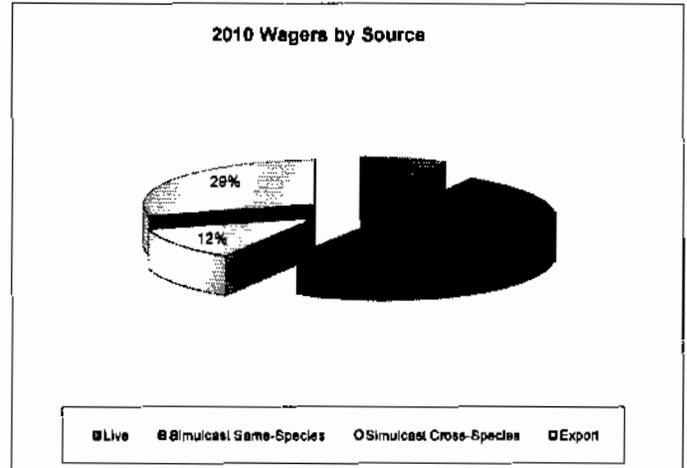
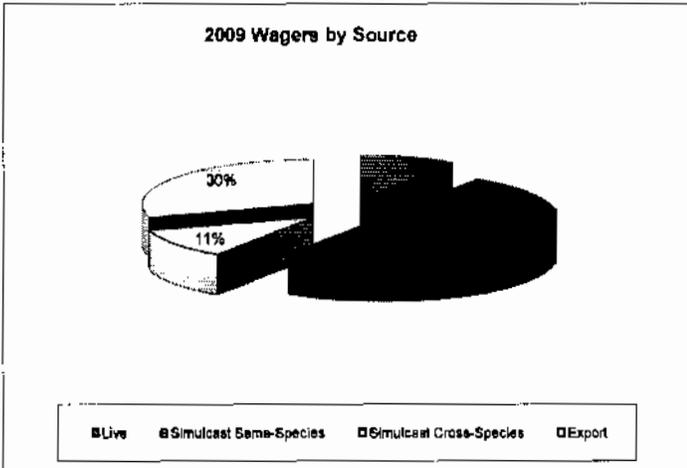
For the Period: 01/01/09 - 12/31/09 to 01/01/10 -12/31/10

Source of Wagers	Year 2009 01/01 - 12/31				Year 2010 01/01 - 12/31				Percentage Change in	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
Greyhound Racetracks										
Live	331	\$ 14,510,285	\$ 43,838	277	\$ 10,855,337	\$ 39,189	-25.19%	-10.60%		
Simulcast Same-Species	809	\$ 26,283,503	\$ 32,489	931	\$ 27,072,443	\$ 29,079	3.00%	-10.50%		
Simulcast Cross-Species	810	\$ 24,404,812	\$ 30,130	933	\$ 27,041,390	\$ 28,983	10.80%	-3.80%		
Export	331	\$ 18,453,895	\$ 49,710	277	\$ 14,908,878	\$ 53,822	-9.39%	8.27%		
Total Wagers		\$ 81,652,575	N/A		\$ 79,877,848	N/A	-2.17%	N/A		

Source of Wagers Horse Racetracks										
# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers			
Live	247	\$ 36,012,760	\$ 145,801	218	\$ 31,209,088	\$ 143,161	-13.34%	-1.81%		
Simulcast Same-Species	1,559	\$ 256,727,674	\$ 164,875	1,446	\$ 225,161,864	\$ 155,714	-12.30%	-5.44%		
Simulcast Cross-Species	1,554	\$ 38,584,752	\$ 23,549	1,441	\$ 34,477,656	\$ 23,926	-5.79%	1.60%		
Export	221	\$ 150,618,995	\$ 681,525	196	\$ 131,581,134	\$ 671,332	-12.64%	-1.50%		
Total Wagers		\$ 479,952,182	N/A		\$ 422,429,740	N/A	-11.89%	N/A		

Sources of Wagers All Texas Racetracks										
# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers			
Live	578	\$ 50,523,025	\$ 87,410	495	\$ 42,064,423	\$ 84,979	-16.74%	-2.78%		
Simulcast Same-Species	2,368	\$ 283,011,178	\$ 119,515	2,377	\$ 252,234,307	\$ 106,115	-10.87%	-11.21%		
Simulcast Cross-Species	2,364	\$ 80,999,664	\$ 25,804	2,374	\$ 61,519,046	\$ 25,914	0.85%	0.43%		
Export	552	\$ 167,070,890	\$ 302,865	473	\$ 146,489,812	\$ 309,704	-12.32%	2.33%		
Total Wagers		\$ 561,604,757	N/A		\$ 502,307,588	N/A	-10.58%	N/A		

Total Wagers Placed in Texas	\$ 394,533,887	N/A	\$ 355,617,776	N/A	-9.81%	N/A
Total Wagers Placed on Texas Races	\$ 217,593,915	N/A	\$ 188,554,235	N/A	-13.35%	N/A





**Greyhound Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed**

In Texas & on Texas Races

For the Period: 01/01/09 - 12/31/09 to 01/01/10 - 12/31/10

Sources of Wagers	Year 2009 01/01 - 12/31			Year 2010 01/01 - 12/31			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
<u>Gulf Coast Racing</u>								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	128	\$ 3,613,900	\$ 28,234	259	\$ 6,901,147	\$ 26,645	90.96%	-5.63%
Simulcast Cross-Species	128	\$ 1,858,268	\$ 14,502	259	\$ 3,814,334	\$ 14,727	105.48%	1.55%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 5,470,167	N/A		\$ 10,715,481	N/A	N/A	N/A

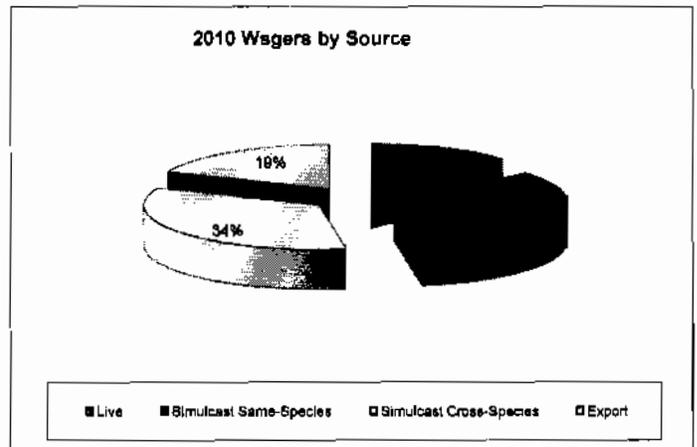
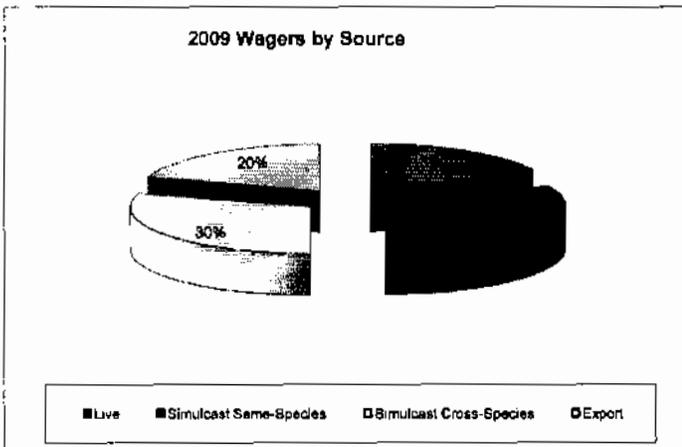
Sources of Wagers <u>Gulf Greyhound Park</u>								
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Change In	
Live	261	\$ 12,209,773	\$ 46,781	277	\$ 10,855,337	\$ 39,189	-11.09%	-16.23%
Simulcast Same-Species	363	\$ 15,854,222	\$ 43,678	362	\$ 13,459,909	\$ 37,182	-15.10%	-14.87%
Simulcast Cross-Species	363	\$ 15,585,467	\$ 42,880	363	\$ 16,307,668	\$ 44,925	4.77%	4.77%
Export	261	\$ 13,783,203	\$ 52,809	277	\$ 14,908,678	\$ 53,822	8.17%	1.92%
Total Wagers		\$ 57,412,665	N/A		\$ 55,531,809	N/A	-3.28%	N/A

Sources of Wagers <u>Valley Race Park</u>								
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Change In	
Live	70	\$ 2,300,492	\$ 32,864	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	318	\$ 6,815,362	\$ 21,432	310	\$ 6,711,388	\$ 21,650	-1.53%	1.02%
Simulcast Cross-Species	319	\$ 6,983,177	\$ 21,891	311	\$ 6,919,370	\$ 22,249	-0.91%	1.64%
Export	70	\$ 2,670,692	\$ 36,153	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 18,769,743	N/A		\$ 13,630,758	N/A	-27.38%	N/A

Sources of Wagers <u>All Greyhound Racetracks</u>								
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Change In	
Live	331	\$ 14,510,285	\$ 43,838	277	\$ 10,855,337	\$ 39,189	-25.19%	-10.60%
Simulcast Same-Species	809	\$ 26,283,503	\$ 32,489	931	\$ 27,072,443	\$ 29,079	3.00%	-10.50%
Simulcast Cross-Species	810	\$ 24,404,912	\$ 30,130	933	\$ 27,041,390	\$ 28,983	10.80%	-3.60%
Export	331	\$ 16,453,895	\$ 49,710	277	\$ 14,908,678	\$ 53,822	-9.39%	8.27%
Total Wagers		\$ 81,652,575	N/A		\$ 79,877,648	N/A	-2.17%	N/A

Total Wagers Placed In Texas	\$ 65,198,660	N/A	\$ 64,989,170	N/A	-0.35%	N/A
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Total Wagers Placed on Texas Races	\$ 30,984,160	N/A	\$ 25,784,015	N/A	-16.79%	N/A
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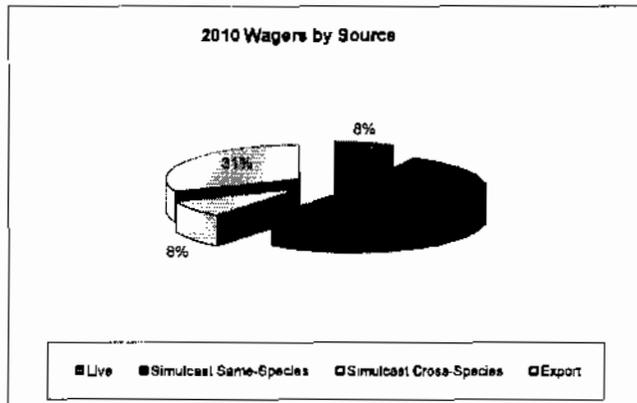
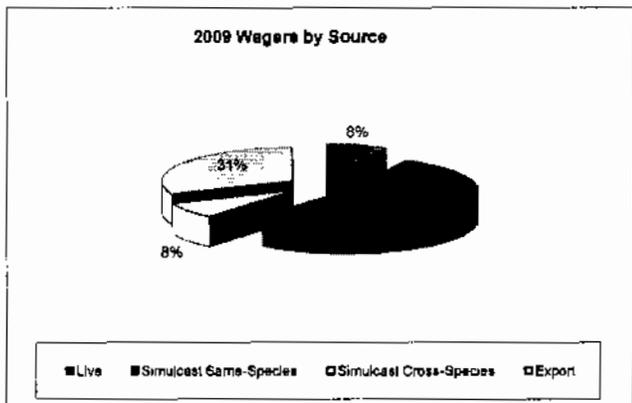


**Horse Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed**

In Texas & on Texas Races

For the Period: 01/01/09 - 12/31/09 to 01/01/10 - 12/31/10

Sources of Wagers	Year 2009 01/01 - 12/31				Year 2010 01/01 - 12/31				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager		
Gillespie County Fair										
Live	8	\$ 1,106,409	\$ 138,301	8	\$ 1,212,932	\$ 151,617	9.63%	9.63%		
Simulcast Same-Species	207	\$ 3,841,110	\$ 18,556	207	\$ 3,622,192	\$ 17,499	-5.70%	-5.70%		
Simulcast Cross-Species	207	\$ 419,119	\$ 2,025	207	\$ 392,784	\$ 1,897	-6.29%	-6.29%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A		
Total Wagers		\$ 5,366,637	N/A		\$ 5,227,888	N/A	-2.59%	N/A		
Lone Star Park										
Live	93	\$ 23,329,717	\$ 250,857	86	\$ 19,851,794	\$ 230,835	-14.91%	-7.98%		
Simulcast Same-Species	363	\$ 122,461,314	\$ 337,359	363	\$ 106,925,127	\$ 294,560	-12.69%	-12.69%		
Simulcast Cross-Species	359	\$ 4,801,899	\$ 13,376	359	\$ 5,819,114	\$ 16,209	21.18%	21.18%		
Export	93	\$ 80,158,136	\$ 861,894	86	\$ 56,742,547	\$ 659,797	-29.21%	-23.45%		
Total Wagers		\$ 230,749,085	N/A		\$ 189,338,582	N/A	-17.95%	N/A		
Manor Downs										
Live	18	\$ 1,483,106	\$ 82,395	14	\$ 1,100,710	\$ 78,622	-25.78%	-4.58%		
Simulcast Same-Species	263	\$ 13,851,569	\$ 52,668	149	\$ 7,464,646	\$ 50,233	-45.97%	-4.62%		
Simulcast Cross-Species	263	\$ 2,896,507	\$ 11,013	149	\$ 1,319,535	\$ 8,856	-54.44%	-19.59%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A		
Total Wagers		\$ 18,231,182	N/A		\$ 9,904,891	N/A	-45.67%	N/A		
Retama Park										
Live	59	\$ 3,865,166	\$ 65,511	16	\$ 1,838,249	\$ 114,891	-52.44%	75.38%		
Simulcast Same-Species	363	\$ 39,855,742	\$ 109,244	364	\$ 35,421,792	\$ 97,313	-10.68%	-10.92%		
Simulcast Cross-Species	362	\$ 6,528,351	\$ 18,034	363	\$ 6,778,456	\$ 18,673	3.83%	3.55%		
Export	59	\$ 47,151,832	\$ 799,184	16	\$ 7,830,096	\$ 489,381	-83.39%	-38.78%		
Total Wagers		\$ 97,201,092	N/A		\$ 51,868,593	N/A	-48.84%	N/A		
Sam Houston Race Park										
Live	69	\$ 6,228,363	\$ 90,268	94	\$ 7,205,400	\$ 76,653	15.69%	-15.08%		
Simulcast Same-Species	363	\$ 76,917,940	\$ 211,895	383	\$ 71,708,107	\$ 197,543	-6.77%	-6.77%		
Simulcast Cross-Species	363	\$ 21,948,876	\$ 80,465	383	\$ 20,167,787	\$ 55,559	-8.11%	-8.11%		
Export	69	\$ 23,309,027	\$ 337,612	94	\$ 67,008,492	\$ 712,856	187.48%	111.02%		
Total Wagers		\$ 128,404,206	N/A		\$ 166,089,786	N/A	29.35%	N/A		
All Horse Racetracks										
Live	247	\$ 36,012,760	\$ 145,801	218	\$ 31,209,086	\$ 143,161	-13.34%	-1.81%		
Simulcast Same-Species	1,559	\$ 256,727,674	\$ 164,875	1,446	\$ 225,161,664	\$ 155,714	-12.30%	-5.44%		
Simulcast Cross-Species	1,554	\$ 38,594,752	\$ 23,549	1,441	\$ 34,477,656	\$ 23,926	-5.79%	1.60%		
Export	221	\$ 150,616,995	\$ 861,525	196	\$ 131,581,134	\$ 871,332	-12.64%	-1.50%		
Total Wagers		\$ 479,952,182	N/A		\$ 422,429,740	N/A	-11.89%	N/A		
Total Wagers Placed In Texas		\$ 329,335,187	N/A		\$ 290,646,605	N/A	-11.69%	N/A		
Total Wagers Placed on Texas Races		\$ 166,629,755	N/A		\$ 182,790,220	N/A	-12.77%	N/A		





**Texas Pari-Mutuel Racetracks Wagering Statistics
Comparison Report on Total Wagers Placed
in Texas & on Texas Races**

For the Period: 01/01/10 - 02/20/10 to 01/01/11 - 02/20/11

Sources of Wagers	Year 2010 01/01 - 02/20				Year 2011 01/01 - 02/20				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
Greyhound Racetracks										
Live	44	\$ 1,462,299	\$ 33,234	34	\$ 1,403,018	\$ 41,265	-4.05%	24.17%		
Simulcast Same-Species	132	\$ 4,424,790	\$ 33,521	130	\$ 3,864,297	\$ 29,725	-12.67%	-11.32%		
Simulcast Cross-Species	132	\$ 3,382,406	\$ 25,624	130	\$ 3,735,990	\$ 28,738	10.45%	12.15%		
Export	44	\$ 2,195,959	\$ 49,906	34	\$ 1,592,235	\$ 46,830	-27.49%	-6.17%		
Total Wagers		\$ 11,465,453	N/A		\$ 10,595,540	N/A	-7.59%	N/A		

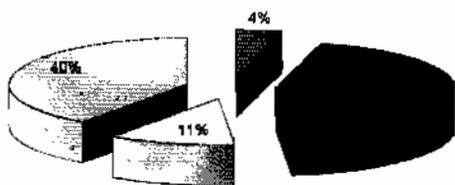
Sources of Wagers										
Horse Racetracks										
# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers			
Live	25	\$ 1,763,683	\$ 70,547	18	\$ 1,804,761	N/A	2.33%	2.33%		
Simulcast Same-Species	220	\$ 30,198,254	\$ 137,265	183	\$ 25,481,213	\$ 139,242	-15.62%	-15.62%		
Simulcast Cross-Species	217	\$ 5,484,490	\$ 25,274	182	\$ 4,874,803	\$ 26,784	-11.12%	-11.12%		
Export	25	\$ 29,029,914	\$ 1,161,197	18	\$ 19,065,122	N/A	-34.33%	-34.33%		
Total Wagers		\$ 68,476,341	N/A		\$ 51,225,699	N/A	-22.94%	N/A		

Sources of Wagers										
All Texas Racetracks										
# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers			
Live	69	\$ 3,225,982	\$ 46,753	52	\$ 3,207,760	\$ 61,688	-0.56%	31.94%		
Simulcast Same-Species	352	\$ 34,623,044	\$ 98,351	313	\$ 29,345,509	\$ 93,758	-15.24%	-4.88%		
Simulcast Cross-Species	349	\$ 8,886,895	\$ 25,407	312	\$ 8,810,593	\$ 27,998	-2.89%	8.83%		
Export	69	\$ 31,225,873	\$ 452,549	52	\$ 20,857,357	\$ 397,257	-33.85%	-12.22%		
Total Wagers		\$ 77,941,794	N/A		\$ 61,821,239	N/A	-20.88%	N/A		

Total Wagers Placed in Texas	\$ 48,715,921	N/A	\$ 41,163,882	N/A	-11.86%	N/A
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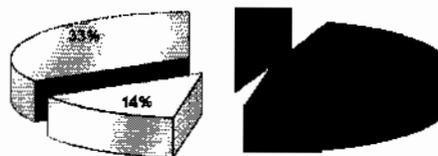
Total Wagers Placed on Texas Races	\$ 34,451,855	N/A	\$ 23,865,137	N/A	-30.73%	N/A
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2010 Wagers by Source



■ Live ■ Simulcast Same-Species ■ Simulcast Cross-Species ■ Export

2011 Wagers by Source



■ Live ■ Simulcast Same-Species ■ Simulcast Cross-Species ■ Export



**Texas Pari-Mutuel Racetracks Wagering Statistics
Comparison Report on Total Wagers Placed
In Texas & on Texas Races**

For the Period: 01/01/10 - 02/20/10 to 01/01/11 -02/20/11

Sources of Wagers	Year 2010 01/01 - 02/20				Year 2011 01/01 - 02/20				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
Greyhound Racetracks										
Live	44	\$ 1,482,298	\$ 33,234	34	\$ 1,403,018	\$ 41,285	-4.05%	24.17%		
Simulcast Same-Species	132	\$ 4,424,790	\$ 33,521	130	\$ 3,864,297	\$ 29,725	-12.67%	-11.32%		
Simulcast Cross-Species	132	\$ 3,382,408	\$ 25,624	130	\$ 3,735,990	\$ 28,738	10.45%	12.15%		
Export	44	\$ 2,195,959	\$ 49,908	34	\$ 1,592,235	\$ 46,830	-27.49%	-6.17%		
Total Wagers		\$ 11,485,453	N/A		\$ 10,595,540	N/A	-7.59%	N/A		

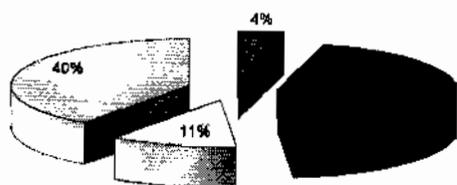
Sources of Wagers										
Horse Racetracks										
Live	25	\$ 1,783,683	\$ 70,547	18	\$ 1,804,761	N/A	2.33%	2.33%		
Simulcast Same-Species	220	\$ 30,196,254	\$ 137,265	183	\$ 25,481,213	\$ 139,242	-15.62%	-15.62%		
Simulcast Cross-Species	217	\$ 5,484,490	\$ 25,274	182	\$ 4,874,603	\$ 26,784	-11.12%	-11.12%		
Export	25	\$ 29,029,914	\$ 1,161,197	18	\$ 19,065,122	N/A	-34.33%	-34.33%		
Total Wagers		\$ 66,476,341	N/A		\$ 51,225,699	N/A	-22.94%	N/A		

Sources of Wagers										
All Texas Racetracks										
Live	69	\$ 3,225,982	\$ 46,753	52	\$ 3,207,760	\$ 61,688	-0.56%	31.94%		
Simulcast Same-Species	352	\$ 34,823,044	\$ 98,361	313	\$ 29,345,509	\$ 93,758	-15.24%	-4.68%		
Simulcast Cross-Species	349	\$ 6,866,695	\$ 25,407	312	\$ 8,610,593	\$ 27,598	-2.89%	8.63%		
Export	69	\$ 31,225,873	\$ 452,548	52	\$ 20,657,357	\$ 397,257	-33.85%	-12.22%		
Total Wagers		\$ 77,941,794	N/A		\$ 61,821,239	N/A	-20.68%	N/A		

Total Wagers Placed in Texas \$ 46,715,921 N/A \$ 41,163,882 N/A -11.68% N/A

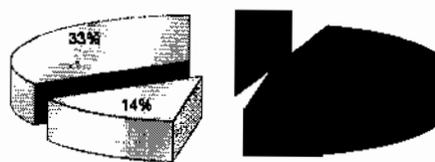
Total Wagers Placed on Texas Races \$ 34,451,855 N/A \$ 23,665,137 N/A -30.73% N/A

2010 Wagers by Source



■ Live ■ Simulcast Same-Species ■ Simulcast Cross-Species ■ Export

2011 Wagers by Source



■ Live ■ Simulcast Same-Species ■ Simulcast Cross-Species ■ Export



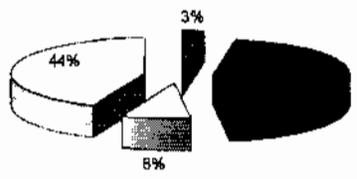
Horse Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed

In Texas & on Texas Races

For the Period: 01/01/10 - 02/20/10 to 01/01/11 - 02/20/11

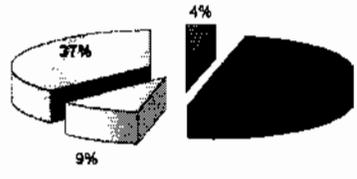
Sources of Wagers	Year 2010 01/01 - 02/20			Year 2011 01/01 - 02/20			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
Gilleaple County Fair								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	30	\$ 410,514	\$ 13,684	30	\$ 558,015	\$ 18,601	35.93%	35.93%
Simulcast Cross-Species	30	\$ 60,511	\$ 2,017	30	\$ 73,400	\$ 2,447	21.30%	21.30%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 471,025	N/A		\$ 631,415	N/A	34.05%	N/A
Lone Star Park								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	51	\$ 14,425,821	\$ 282,859	51	\$ 12,170,764	\$ 238,642	-15.63%	-15.63%
Simulcast Cross-Species	48	\$ 791,418	\$ 16,468	50	\$ 783,262	\$ 15,665	-1.03%	-4.99%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 15,217,240	N/A		\$ 12,954,026	N/A	-14.87%	N/A
Manor Downs								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	37	\$ 1,563,662	\$ 42,267	0	\$ -	N/A	-100.00%	-100.00%
Simulcast Cross-Species	37	\$ 339,568	\$ 9,178	0	\$ -	N/A	-100.00%	-100.00%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 1,903,431	N/A		\$ -	N/A	-100.00%	N/A
Retama Park								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	51	\$ 4,554,250	\$ 89,299	51	\$ 4,266,303	\$ 83,692	-6.26%	-6.26%
Simulcast Cross-Species	51	\$ 1,097,892	\$ 21,527	51	\$ 1,186,482	\$ 23,264	6.07%	6.07%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 5,652,142	N/A		\$ 5,454,785	N/A	-3.49%	N/A
Sam Houston Race Park								
Live	25	\$ 1,763,663	\$ 70,547	18	\$ 1,804,761	N/A	2.33%	2.33%
Simulcast Same-Species	51	\$ 9,243,807	\$ 181,251	51	\$ 8,484,130	\$ 166,355	-8.22%	-8.22%
Simulcast Cross-Species	51	\$ 3,195,100	\$ 62,649	51	\$ 2,831,460	\$ 55,519	-11.36%	-11.38%
Export	25	\$ 29,029,914	\$ 1,161,197	16	\$ 19,065,122	N/A	-34.33%	-34.33%
Total Wagers		\$ 43,232,504	N/A		\$ 32,185,473	N/A	-25.55%	NA
All Horse Racetracks								
Live	25	\$ 1,763,663	\$ 70,547	18	\$ 1,804,761	N/A	2.33%	2.33%
Simulcast Same-Species	220	\$ 30,198,254	\$ 137,265	183	\$ 25,481,213	\$ 139,242	-15.62%	-15.62%
Simulcast Cross-Species	217	\$ 5,484,490	\$ 25,274	162	\$ 4,674,603	\$ 28,784	-11.12%	-11.12%
Export	25	\$ 29,029,914	\$ 1,161,197	16	\$ 19,065,122	N/A	-34.33%	-34.33%
Total Wagers		\$ 66,476,341	N/A		\$ 51,225,699	N/A	-22.94%	N/A
Total Wagers Placed in Texas		\$ 37,448,427	N/A		\$ 32,160,577	N/A	-14.12%	N/A
Total Wagers Placed on Texas Races		\$ 30,793,597	N/A		\$ 20,669,663	N/A	-32.23%	N/A

2010 Wagers by Source



■ Live ■ Simulcast Same-Species □ Simulcast Cross-Species □ Export

2011 Wagers by Source



■ Live ■ Simulcast Same-Species □ Simulcast Cross-Species □ Export



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

DATE: February 23, 2011

TO: Commissioners

FROM: *MG* Michael Gougler, Interim Deputy Director for Racing Oversight

SUBJECT: Regulatory Statistics for Calendar Year 2010

In Calendar Year 2010, there were 349 greyhound performances at Gulf Greyhound Park and a total of 218 live race days at Gillespie County Fair, Lone Star Park, Manor Downs, Retama Park, and Sam Houston Race Park.

During this time, licensing technicians issued 2,806 new licenses and processed 5,569 renewals.

Investigators conducted 301 administrative investigations of which 35 were the result of 24 gate, barn and kennel searches.

Staff veterinarians inspected 18,236 horses and supervised the collection of 4,487 horse samples for drug testing. At Gulf Greyhound Park, staff veterinarians inspected 32,891 greyhounds pre-race and of those, 6,632 greyhound samples were collected.

The judges and stewards issued 510 rulings during the year – 173 (over a third) of those resulted in the licensee being suspended. There were 20 horses that were disqualified and their portion of any earned purses redistributed. There were 371 rulings that resulted in fines totaling \$105,825.

Medication violations accounted for 12% of the rulings. As you recall, drugs are classified by their effect on the animals: Class 1 being the most serious for greyhounds and horses, Class 5 the least serious for horses, and Class 6 the least serious for greyhounds.

Out of the 4,487 horse samples, there were only 66 (1.47%) that resulted in a positive. Of these medication violations, testing identified:

1	substance	—	Class 1
3	substances	—	Class 2
16	substances	—	Class 3
7	substances	—	Class 4
13	substances	—	Class 5

There were 25 violations for overages of the permitted medication phenylebutazone, and one violation for not administering the permitted medication furosimide. The majority of these violations was generally the result of inadvertent or improperly timed administration of medications considered to have therapeutic value in the horse yet unlikely to be of a performance enhancing nature.

The Commission began testing for equine anabolic steroids in January of 2009, and through December 31, 2010, this testing has resulted in no positives for equine anabolic steroids.

Out of the 6,632 greyhound samples, only nine (less than 0.014%) prohibited substances were detected.

4	substances	—	Class 5
5	substances	—	Class 6

Commissioners, for more information on the summary information provided, please do not hesitate to contact me. You may also refer to the recently issued 2010 Texas Racing Commission Annual Report. Regulatory statistics for 2011 will be provided at the next Commission meeting.

Jacky D. Martin
P.O. Box 445
Vinton, LA 70668

2011 FEB 15 PM 2:36
RECEIVED
TEXAS RACING
COMMISSION

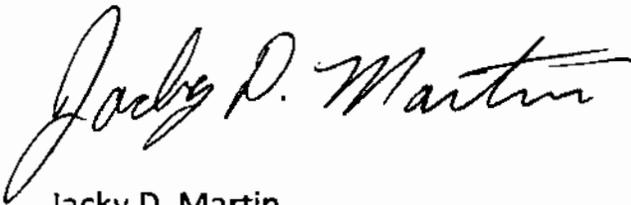
Texas Racing Commission
Rolando Pablos, Chairman
8505 Cross Park Dr. #110
Austin, TX 78754

Dear Mr. Pablos,

In regards to my request of February 10, 2011 for a meeting with you; I would ask, that in the event that consideration by the full Racing Commission be necessary, that you consider this my request to be placed in the agenda for the March 1, 2011 meeting of the Texas Racing Commission.

I may be contacted at (817)-613-6864, or (918)-851-1221.

Respectfully Yours,



Jacky D. Martin



Texas HBPA, Inc.



2011 FEB 16 PM 1:02

Horsemen Helping Horsemen

RECEIVED
TEXAS RACING
COMMISSION

February 14, 2011

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

Dear Mr. Trout:

The Board of Director of Texas Horsemen's Benevolent & Protective Association would like to offer its wholehearted support for the reinstatement of the license of Jacky Martin.

Not only is Mr. Martin a talented athlete, he is also a historic figure in Quarter Horse racing. In addition to being legendary in Texas racing, he was named Champion Jockey of The Year for 2010 by AQHA.

We urge the Texas Racing Commission to reinstate his jockey's license and I would like to thank you for your time and consideration in this matter.

Sincerely,

Marsha Rountree
Interim Executive Director



2011 FEB 17 AM 8:15

RECEIVED
TEXAS RACING
COMMISSION

February 14, 2011

Chuck Trout
Executive Director
Texas Racing Commission

Dear Mr. Trout,

At the February 12, 2011 meeting of the Texas Quarter Horse Association, our Race Committee voted to strongly support and urge the Texas Racing Commission to reinstate the jockey's license of Jacky Martin.

Mr. Martin is one of the most accomplished jockeys in the history of American Quarter Horse racing and after a four year hiatus from riding was named the 2010 AQHA "Champion Jockey of the Year".

I have attached a magazine article that touches on some of the troubles and obstacles he has faced that may help bring into perspective why we feel his license should be reinstated.

On a personal note, I have known Mr. Martin for many years and watched with interest last year as he tried to make a comeback. I can tell you that he has been humbled by this experience and is ready to move forward and has moved forward.

I thank you for any consideration you may give to license Mr. Martin in Texas and bring home one of our finest athletes.

Sincerely,

Rob Werstler
Director of Racing

Brought to you by ...



JACKY'S BACK

July 2010 - Special report by Pete Herrera

Jacky Martin has returned. He's back to the mountain where he was king for so long. Back to the track that was his million-dollar playground. Once again a celebrity in the town that never forgot him.

But oh, what a journey the seven-time winner of the All American Futurity took to get back to Ruidoso Downs. It was a ride packed with heartbreak and humility, demeaning days and sleepless nights.

A voyage that finally came to an end last month when the New Mexico Racing Commission said Martin could once again ride horses in the state.

Martin, who from 1978 to 2000 teamed up with Hall of Fame trainer Jack Brooks to win the world's most prestigious quarter horse race seven times, lost his jockey's license for four years after he was arrested for poaching a deer in Texas in 2006. The fact Martin was carrying a small amount of methamphetamine didn't help.

The shot that took down the 12-point buck just as quickly tore a hole in Martin's riding career. The state of Iowa revoked his license and other states, including New Mexico, did the same under the practice of reciprocity, which holds that if you are barred from riding in one state, other states can honor the suspension as well.

Martin didn't do any jail time, but the four years that he spent away from the track and out of competitive riding proved in some ways to be a tougher sentence.

After all, what price do you put on pride, reputation and self-esteem?

"I let myself and a lot of people down," says Martin. "It was very embarrassing. I had a hard time meeting people and dealing with the situation."

Martin admits he has had a problem with meth, but prefers not to talk about it in detail. He says he is clean now and concedes that for a long time he was in denial.

"At first, I tried to blame it on everybody else," says Martin. "Why I was doing the drugs and poaching, but there was no reason for either one."

His bank account also took a hit. The man who could earn more money in a 21-second

ride in the All American than a lot of individuals make in 10 years, was thrust into a penny-pinching, coupon-clipping lifestyle.

Martin says his wife Tracey, whom he married shortly after losing his license, helped him deal with reality and with the toughest of times.

"She was hard on me," said Martin. "She made me realize it wasn't anybody else's fault but my own. She helped me see that I was the one who could get back on my feet."

"I told him to stop feeling sorry for himself and get off his butt," says Tracey, the expert coupon-clipper in the family.

Together, they set out on the road to redemption. Tracey worked as a jock's agent and they took just about every job they could find, from hauling manure and horses to building barns and fences.

"There wasn't a job I wouldn't do. I cleaned stalls," said Martin.

Jacky, who by 2002 had won more than 2,500 races, including back-to-back Champion of Champions with SLM Big Daddy, and who 10 years ago was the American Quarter Horse Association's champion rider, went back to Square 1. The jock who, in the five years prior to his suspension, was earning an average of \$250,000, a year was now galloping horses on farms for \$10 a mount.

"It was hard for me to consider myself a gallop boy, but that's all I was," says Martin. "I wasn't going to get an opportunity to ride a horse and get a chance to make \$15,000 or \$20,000, to win a futurity or a derby. I wasn't going to reap any rewards."

Martin galloped horses at Wilford "Poonie" Roberts' farm in Mauriceville, Texas. Martin says Roberts "mainly kept us going for the last two years."

Martin also hauled and galloped horses for trainer Heath Taylor at his Lake Charles, La., farm, often making the three-and-a-half-hour drive from Shreveport, La., to Lake Charles to work. Taylor says Martin never complained.

"He handled it with quite a bit of humility," said Taylor. "He's a guy who had everything in the world, but he didn't blame anybody. You can imagine the difference financially from winning the All American and the Champion of Champions, but he just worked."

Much of their earnings went to pay legal fees as Jacky worked to get his license reinstated and the chance to rebuild his reputation and regain his self-esteem. It's the latter, says Tracey, that has been the driving force over the last four years.

"It's never been about the money," she said.

Now, it's about winning races again, and Martin's return to Ruidoso is an ongoing feel-good story. So much so that other jockeys helped him out by lending him a helmet and other riding equipment his first day back.

His first time back in the starting gates (June 19) was aboard a 2-year-old named Jess Say Who. He finished second, beaten a nose. His first win came the following week on the 2-year-old Dashing LittleCartel.

"It wasn't like winning the All American, but it felt really good," said Martin of his first competitive ride in four years. "I knew in my mind that I hadn't forgotten how to ride or that my ability had dwindled."

There's been no shortage of rides as trainers like Michael Joiner, Dwayne "Sleepy" Gilbreath, John Stinebaugh, Mike Wakefield, Eduardo Gonzalez, Tony Sedillo and Robert Williams have come calling.

Jacky is expected to ride several horses in Thursday's Rainbow Futurity trials and in next month's All American trials. He's also working on getting his license back in other states, but for now plans to spend the fall in New Mexico, going from Ruidoso to Zia Park in Hobbs.

Jacky has gone back to the winner's circle several times since his return and those who know talent, say the 55-year-old rider still has plenty of it.

"He looks like he never missed a beat. He's riding just as good as back then," said Joiner. "His balance and reflexes are really good."

Of the impact Martin has had on the backside and community, Joiner says: "I don't know of one person that is not glad to see him back."

Taylor said he plans to have Martin ride some of his horses in the All American trials next month and beyond. "He's going to ride many, many horses for me in a lot of places," said Taylor.

Taylor, too, says watching Martin ride now is like stepping into a time machine and going back 20 years.

"He still stands out as a phenomenal rider," said Taylor. "I was extremely impressed with the first six or eight races he rode. His work ethic is the best, and he's as focused as he's ever been. He's out there when the track opens and when it closes."

Taylor says its obvious Jacky's life away from the track is also in order.

"He's happy and secure. He's not a guy with a lot of words, but he's handled it with a lot of class. He's put in his penalty but he's not running around beating his chest and telling

people what he's going to do.”

Martin, who agrees he fell victim to the “I’m bulletproof” syndrome that’s a common affliction with the rich and famous, says he’s grateful for a second chance and appreciative of the tough times he’s been through.

“It made me realize what I had, and it made me a better person. I will be a better person the rest of my life.”

Pete Herrera is a former AP sportswriter and now freelance journalist who covered sports and news for 39 years. His credits include four Summer Olympics and coverage of 40 All American Futurities from 1968 to 2008.

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CR060412

THE STATE OF TEXAS

VS.

JACKY DAVY MARTIN
hereinafter referred to
as "Defendant"

*
*
*

RECEIVED AND FILED
2010 SEP 28 AM 10:57
415th DISTRICT COURT
PARKER COUNTY, TEXAS
BY GE QS

ORDER DISCHARGING DEFENDANT FROM COMMUNITY SUPERVISION

On this day the Court, having reviewed the proceedings in the above-styled and numbered cause, finds that Defendant was placed on community supervision in this cause and that Defendant has paid all costs and fines assessed against him in said cause and has satisfactorily complied with the terms and conditions of community supervision and that the term of community supervision in the cause has expired.

Therefore, IT IS ORDERED that:

_____ The Defendant in this cause is hereby discharged from community supervision;

OR

✓
_____ The Defendant in this cause is hereby discharged from community supervision. Furthermore, the complaint and information in this cause are hereby dismissed and the defendant is released from all penalties and disabilities resulting from the offense for which he was convicted herein, except as otherwise provided by law.

Signed this 27 day of September 2010.

ORIGINAL SIGNED BY
GRAHAM QUISENBERRY
Presiding Judge

[Signature]
Community Supervision Officer

State of Texas
County of Parker
I certify that the foregoing, consisting of _____ pages, is a true, correct and complete copy of the instrument of release in my possession. Filed _____ day of _____ 2010
ELVEA M. JOHNSON, DISTRICT CLERK
By [Signature] Deputy



CR060133

THE STATE OF TEXAS

VS.

JACKY DAVY MARTIN
hereinafter referred to
as "Defendant"

RECEIVED AND FILED
2010 SEP 28 10:57
415th DISTRICT COURT
PARKER COUNTY, TEXAS
BY *[Signature]* DEPUTY

ORDER DISCHARGING DEFENDANT FROM COMMUNITY SUPERVISION

On this day the Court, having reviewed the proceedings in the above-styled and numbered cause, finds that Defendant was placed on community supervision in this cause and that Defendant has paid all costs and fines assessed against him in said cause and has satisfactorily complied with the terms and conditions of community supervision and that the term of community supervision in the cause has expired.

Therefore, IT IS ORDERED that:

_____ The Defendant in this cause is hereby discharged from community supervision;

OK
✓
_____ The Defendant in this cause is hereby discharged from community supervision. Furthermore, the complaint and information in this cause are hereby dismissed and the defendant is released from all penalties and disabilities resulting from the offense for which he was convicted herein, except as otherwise provided by law.

Signed this 27 day of September 2010.

[Signature]

Presiding Judge

[Signature]

Community Supervision Officer

State of Texas
County of Parker
I certify that the foregoing, consisting of _____ pages, is a true, correct and complete copy of the original of record in my possession. This _____ day of _____ 20____
ELVERA M. JOHNSON, DISTRICT CLERK
By: *[Signature]* Deputy





Ruling Data: 02/08/2007 Violation Date: 08/08/2006 Ruling#: SHRP3871
Licensee: JACKY DAVY MARTIN DOB: 10/17/1954 Status: CLSD

License:	Number	Type	Status
	8677	JOCKEY	SUSPENDED

Actions:	Begin Date	End Date
SUSPENDED	02/08/2007	

Rules Violated: 7.04 GROUNDS FOR DENIAL, REVOCATION, AND SUSPENSION OF OCC. LICENSE
303.202 GUIDELINES

Fine	Fine Due Date	Fine Paid Date	Redistribute Purse:	N
\$				

Narrative:

LICENSEE, JOCKEY JACKY DAVY MARTIN HAVING BEEN DULY NOTIFIED TO APPEAR BEFORE THE BOARD OF STEWARDS AT SAM HOUSTON RACE PARK ON 02/03/2007, FAILED TO APPEAR. MR. MARTIN'S HEARING WAS HELD IN ABSENTIA. MR. MARTIN'S TEXAS RACING COMMISSION RACING LICENSE IS HEREBY SUSPENDED, SUBJECT PLED GUILTY ON 08/08/2006 TO FELONY POSSESSION OF A CONTROLLED SUBSTANCE (METHAMPHETAMINE). BASED ON THIS FELONY CONVICTION TEXAS RACING COMMISSION GUIDELINES MAKES SUBJECT NOT ELIGIBLE FOR A LICENSE UNTIL 08/08/2011. DURING THE TERM OF SUSPENSION MR. MARTIN IS DENIED ACCESS TO ALL AREAS UNDER THE JURISDICTION OF THE TEXAS RACING COMMISSION.

ROLLINSON, JOHN D

ONALLEY, STEPHEN W

BURGESS, JERRY M

Texas Racing Commission
Ruling Supplements

Ruling Date: 02/08/2007 Violation Date: 08/08/2006

Ruling#: SHRP3871

Licensee: JACKY DAVY MARTIN

Status: FINL

License#	Type	Status
8677	JOCKEY	SUSPENDED

<u>Actions</u>	<u>Begin Date</u>	<u>End Date</u>
SUSPENDED	02/08/2007	08/08/2011

Rules Violated: 7.04 GROUNDS FOR DENIAL, REVOCATION, AND SUSPENSION OF OCC. LICENSE
303.202 GUIDELINES

<u>Fine</u>	<u>Fine Due Date</u>	<u>Fine Paid Date</u>	Redistribute Purse: N
\$			

Appeal Date: 03/09/2007 Disposition: FINAL

1 Created On: 03/18/2008

SOAH upheld the Stewards' ruling. The Commission considered the PFD issued by the ALJ and accepted it in full. Mr. Martin did not ask for a motion for rehearing or appeal the Commission's decision. Mr. Martin's suspension will run until 08/08/2011 at which time he may apply for reinstatement and reapply for a license. Case is closed.

IN RE: THE APPEAL	§	
	§	BEFORE THE
BY JACKY MARTIN	§	
	§	TEXAS RACING COMMISSION
FROM STEWARDS' RULING	§	
	§	
SAM HOUSTON RACE PARK 3871	§	

ORDER OF THE COMMISSION

On February 7, 2008, the Texas Racing Commission considered in open meeting the Proposal for Decision prepared by the Honorable Ann Landeros, Administrative Law Judge ("ALJ") with the State Office of Administrative Hearings. Rhonda Fritsche, Legal Counsel, represented Commission Staff. Although the Appellant received sufficient notice of the meeting, the Appellant did not appear.

Having considered the Proposal for Decision and arguments presented, a majority of the members the Texas Racing Commission adopted the Proposal for Decision.

The Findings of Fact and Conclusions of Law contained in the Proposal for Decision are hereby ADOPTED and incorporated by reference in this Order as if set forth herein.

It is ORDERED that Stewards' Ruling Sam Houston Race Park 3871 is upheld in full.

This Order becomes final on the date the order is issued. If this Order is appealed to the district court, this Order is stayed pending final disposition of the case by the appellate courts. If this Order is not appealed or is upheld on appeal, the Executive Secretary, after notice to Appellant, shall set the date for the commencement of the suspension.

This Order remains in full force and effect until the Appellant, Jacky Martin fulfills all of its terms and conditions, including completion of the suspension, regardless of the date on which the suspension is begun.

ENTERED this 14th day of February, 2008.

SIGNED this the 11th day of February, 2008.



JESSE R. ADAMS
Chair of the Commission

TEXAS STATE RACING COMMISSION	§	BEFORE THE STATE OFFICE
	§	
IN RE: THE APPEAL OF	§	
	§	
JACKY MARTIN FROM STEWARDS'	§	OF
	§	
RULING SAM HOUSTON	§	
	§	
RACE PARK 3871	§	ADMINISTRATIVE HEARINGS

PROPOSAL FOR DECISION

Jacky Martin (Petitioner) appealed Sam Houston Race Park Stewards' Ruling 3871 (Stewards' ruling) to the Texas Racing Commission (Commission). The Stewards' ruling determined that Petitioner, who holds a jockey license issued by the Commission, is disqualified from holding a Commission license because he has a felony conviction for possession of a controlled substance. Due to Petitioner's failure to appear or be represented at the hearing, Staff's allegations were deemed true. There was no evidence that the Stewards' ruling was clearly erroneous so the ruling should be upheld.

I. JURISDICTION, NOTICE, AND PROCEDURAL HISTORY

On February 3, 2007, the Board of Stewards at the Sam Houston Race Park conducted a hearing to determine if grounds existed to suspend Petitioner's jockey's license. Despite having been duly noticed of the hearing, Petitioner did not appear and was not represented. The Stewards issued ruling 3871, which determined Petitioner's license should be suspended because he had been convicted of felony possession of a controlled substance. On March 9, 2007, Petitioner filed his appeal of the Stewards' ruling.

On August 28, 2007, Staff's notice of hearing on Petitioner's appeal was delivered to Petitioner's attorney of record, Robert Ford. The notice of hearing stated the date, time, and location of the hearing in this matter, cited the applicable law, and referred to the short, plain statement of the factual allegations underlying the contested case.

The hearing in this matter convened October 10, 2007, before State Office of Administrative Hearings (SOAH) Administrative Law Judge (ALJ) Ann Landeros at the SOAH Office, 300 W. 15th Street, 4th Floor, Austin, Texas. Staff was represented by attorney Rhonda Fritsche. After Petitioner failed to appear in person or by representative, Staff presented evidence as to notice, jurisdiction, and the appropriate sanctions, then moved for a default under 1 TEX. ADMIN. CODE (TAC) § 155.55. The record closed October 12, 2007, after Staff submitted its affidavit of costs.

II. MOTION FOR DEFAULT AND SANCTIONS

A. Default

Based on Staff's proof that Petitioner received proper notice of hearing in this matter and on Petitioner's failure to appear at the hearing, Staff's motion for default should be granted under 1 TAC § 155.55. All factual allegations in Staff's complaint and notice of hearing are deemed admitted and discussed only in the Findings of Fact and Conclusions of Law herein.

B. Legal Standards

The Commission may discipline its licensee for violating the Texas Racing Act (Act), TEX. REV. CIV. STAT. ANN. art. 179e, or the Commission's rules or guidelines. It is a violation of the Act and the Commission's rules for a licensee to have a felony conviction for possession of a controlled substance.¹

The Commission's Stewards have authority to conduct hearings and impose penalties.² The Stewards' rulings are by majority vote and appealable to SOAH for a contested case

¹ Act at § 7.04; 16 TEX. ADMIN. CODE (TAC) § 303.202.

² Act § 3.07(b); 16 TAC § 307.61.

hearing.³ In the contested case proceeding, the appellant has the burden of proving that the Stewards' decision was clearly in error.⁴ A decision is clearly erroneous if a review of the record leaves a definite and firm conviction that a mistake has been committed.⁵ The Commission may reverse, modify, or rescind a penalty imposed by a Stewards' decision.⁶

C. Costs

Based on Staff's evidence in its affidavit of costs, Staff incurred \$100 in court reporter fees for having a court reporter at the contested case hearing. Although TEX. GOV'T CODE ANN. § 2001.059 authorizes the recovery of transcript costs, it does not mention recovery of the court reporter's fee for attending the hearing. Generally, costs are only recoverable when expressly provided for by statute, under equitable principles, or by contract.⁷ While court reporter's fees are recoverable as court costs under the Texas Rules of Civil Procedure, those rules do not control in contested case proceedings at SOAH.⁸ Staff failed to cite to a law authorizing its request to recover the court reporter's fee in this matter, so the request for costs should be denied.

III. FINDINGS OF FACT

1. Jacky Martin (Petitioner) holds a jockey's license issued by the Texas Racing Commission (Commission).
2. In August 2006, Petitioner pled guilty to, and was convicted of, the felony criminal offense of possession of a controlled substance in the 415th Judicial District Court of Parker County, Texas, in cause number CR-06-0412.

³ Act § 3.08; 16 TAC § 307.63.

⁴ 16 TAC § 307.67(c).

⁵ *Hunter Indus. Facilities Inc. v. TNRCC*, 910 S.W.2d 96 (Tex. App.—Austin 1995, writ den.).

⁶ 16 TAC § 307.69.

⁷ *Shenandoah Associates v. J&K Properties, Inc.*, 741 S.W.2d 470, 486 (Tex. App.—Dallas 1987, writ den.).

⁸ *Shenandoah* at 4871; *Allen v. Crabtree*, 936 S.W.2d 6, 7-8 (Tex. App.—Texarkana 1996, no writ). 1 TEX. ADMIN. CODE ch. 155.

3. On February 3, 2007, the Sam Houston Race Park Stewards held a hearing to determine whether grounds existed to suspend Petitioner's jockey's license.
4. Despite being duly notified of the Stewards' hearing, Petitioner did not appear and was not represented at that hearing.
5. As a result of the hearing, the Stewards issued their ruling 3871, which found Petitioner had been convicted of the felony criminal offense of possession of a controlled substance and suspended his jockey's license until August 8, 2011.
6. Petitioner appealed the Stewards' ruling 3871.
7. On August 26, 2007, Petitioner's counsel of record received Staff's notice of hearing on Petitioner's appeal.
8. Staff's notice of hearing stated the date, time, and location of the hearing in this matter, cited the applicable law, and referred to the short, plain statement of the factual allegations underlying the contested case.
9. The hearing in this matter convened October 10, 2007. Staff was represented by attorney Rhonda Fritsch, but Petitioner failed to appear or be represented.
10. Based on Petitioner's failure to appear, Staff presented evidence as to notice, jurisdiction, and the appropriate sanctions, then moved for a default under 1 TEX. ADMIN. CODE § 155.55.
11. Staff's motion for default was granted.
12. Staff incurred costs of \$100 in court reporter's fees in this matter.

IV. PROPOSED CONCLUSIONS OF LAW

1. The Texas Racing Commission has jurisdiction over this matter pursuant to the Texas Racing Act (Act), TEX. REV. CIV. STAT. ANN. art. 179e § 3.08.
2. The State Office of Administrative Hearings 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, pursuant to TEX. GOV'T CODE ANN. ch. 2003.
3. The Commission's Stewards have authority to conduct hearings and impose penalties. Act § 3.07(b); 16 TEX. ADMIN. CODE (TAC) § 307.61.

4. The Stewards' rulings are by majority vote and appealable to SOAH for a contested case hearing. Act § 3.08; 16 TAC § 307.63.
5. In the contested case proceeding, the appellant has the burden of proving that the Stewards' decision was clearly in error. 16 TAC § 307.67(c).
6. A decision is clearly erroneous if a review of the record leaves a definite and firm conviction that a mistake has been committed. *Hunter Indus. Facilities Inc. V. TNRCC*, 910 S.W.2d 96 (Tex. App.—Austin 1995, writ den.).
7. The Commission may discipline its licensee for violating the Texas Racing Act (Act) or the Commission's rules or guidelines. It is a violation of the Act and the Commission's rules for a licensee to have a felony conviction for possession of a controlled substance. Act § 7.04; 16 TAC § 303.202.
8. Sam Houston Race Park Stewards' ruling 3871, suspending Petitioner's license until August 8, 2011, should be upheld.
9. Generally, costs are only recoverable when expressly provided for by statute, under equitable principles, or by contract. *Shenandoah Associates v. J&K Properties, Inc.*, 741 S.W.2d 470, 486 (Tex. App.—Dalla 1987, writ den.).
10. There is no express authority for awarding court reporter's fees in a contested case proceeding brought under the Administrative Procedure Act (APA), TEX. GOV'T CODE ANN. ch. 2001, and the Texas Rules of Civil Procedure, which do authorize recovery of court reporter's fees as costs of court, do not apply to this contested case proceeding at SOAH. TEX. GOV'T CODE ANN. § 2001.059. *Shenandoah* at 4871; *Allen v. Crabtree*, 936 S.W.2d 6, 7-8 (Tex. App.—Texarkana 1996, no writ); 1 TEX. ADMIN. CODE ch. 155.
11. Staff's request for recovery of costs should be denied.

SIGNED November 1, 2007



ANN LANDEROS
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS



LONE STAR PARK
at Grand Prairie
A MAGNA ENTERTAINMENT VENUE
Our Mission:
Create Winning Experiences.

2011 FEB 11 PM 5:24
RECEIVED
TEXAS RACING
COMMISSION

February 11, 2011

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

Via Facsimile: (512) 833-6907

Dear Chuck:

Lone Star Park respectfully requests time on the agenda at the March 1 Commission meeting to provide an update on Lone Star Park. Mr. John Cardwell and I will be available to update the Commission as we continue to work through this transition period.

Thank you for your consideration. If you have any questions or need additional information please feel free to contact me at (972) 237-1112.

Sincerely,

Drew M. Shubeck
President and General Manager

DMS:sa

cc: Mr. Mark Fenner

HOST SITE OF THE
2004 BREEDERS' CUP
WORLD THOROUGHBRED CHAMPIONSHIPS

1000 Lone Star Parkway
Grand Prairie, Texas 75050
(972) 263-7223
lonestarpark.com

VI.A.4



**Austin Jockey Club, Ltd.
3400 Penthouse 500 Dallas St.
Houston, Tx 77002**

2010 JUN 23 PM 2:13
RECEIVED
TEXAS RACING
COMMISSION

June 22, 2010

Ms. Charla Ann King
Executive Secretary
Texas Racing Commission
P.O. Box 12080
Austin, TX 78711-2080

VIA Electronic Mail

Dear Ms. King:

Attached please find an Assignment of Interests for Austin Jockey Club, Ltd. transfers to Dr. Charles Graham, Tyler Graham and Robert Taylor. It is our understanding that Dr. Graham and Tyler Graham have submitted DPS Disclosure Forms and Mr. Taylor's should be complete shortly. We request that an item be placed on the agenda for the next Commission meeting requesting approval for these transfers – or at a minimum for the Graham transfers since the DPS forms have been submitted.

We will provide the Assignment fully executed by all partners once we receive the signature pages.

If you have any questions or need additional information please do not hesitate to contact me at (210) 651-7131.

Yours truly,



Bryan P. Brown
Vice President

Cc: Joe Archer
Dr. Charles Graham
Tyler Graham
Robert Taylor



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

December 7, 2010

To: Chuck Trout
Interim Executive Director

From:  Michael Gougler
Interim Deputy Director for Racing Oversight

RE: Ownership Changes - Longhorn Downs/Austin Jockey Club

On June 23, 2010, the Commission received a written request from Austin Jockey Club for transfer of ownership interests/units to Dr. Charles Graham, Tyler Graham and Robert Taylor. The Austin Jockey Club completed its submission of the contracts and background disclosure forms on November 2, 2010.

Background information forms for the applicant were forwarded to the Department of Public Safety Bureau of Information Analysis for investigation on November 3, 2010.

On December 6, 2010, the Commission received a written report from DPS advising that there was no disqualifying information revealed by the investigation.

The transfer amounts for ownership interest/units are illustrated in the following table:

Limited Partner	Interest Transferred to Charles Graham	Interest Transferred to Tyler Graham	Interest Transferred to Robert Taylor	Interest Held Following Transfer
C. Berry Madden	1.82%	1.82%	1.92%	32.53%
Joseph F. Archer	1.58%	1.58%	1.67%	28.17%
Manfred Quintel	.23%	.23%	.25%	4.18%
Silver Creek Racing, LLC	.48%	.48%	.50%	8.55%
Joseph R. Straus, Jr.	.34%	.34%	.35%	5.98%
Dr. Charles Graham				4.74%
Tyler Graham				4.74%
Bryan P. Brown	.29%	.29%	.30%	5.12%
Robert Taylor				4.99%
Austin Racing Partners				1.00%
TOTAL	4.74%	4.74%	4.99%	100%

Staff recommends that the application for ownership transfer, as indicated above, be approved.



P.O. Box 141309

Austin, Texas 78714

512/272-5581

February 3, 2011

Rolando Pablos, Chairman
Texas Racing Commission
PO Box 12080
Austin, TX 78711-2080

2011 FEB -3 PM 1:40
RECEIVED
TEXAS RACING
COMMISSION

Dear Chairman Pablos:

On behalf of Manor Downs I want to thank you for your consideration and patience in Manor Downs request for 2012 race dates, which has been tabled and postponed until the February Texas Racing Commission meeting. At this time, however, we are not far enough along in our project to recapitalize Manor Downs, so we plan on incorporating a complete race date request with our change of ownership application that we will be filing with the Commission.

Respectfully,

Howard Phillips

VI.B.2



Austin Jockey Club, Ltd.

Status Report 2011 FEB -9 AM 11:08

February 15, 2011

**RECEIVED
TEXAS RACING
COMMISSION**

Since the last Texas Racing Commission meeting, progress has been made in a few areas:

- We have a meeting set with the Mayor of Creedmoor for February 15 to discuss the status of the project and the involvement by the city (permitting, etc.)
- With regard to litigation between the Austin Jockey Club, Ltd. and Dr. David Alameel, et al, the judge issued a "take nothing" judgment. The plaintiffs have responded with a notice of appeal.

Further information will provided be at the next Commission meeting on February 15.



January 31, 2011

Texas Racing Commission
PO Box 12080
Austin, Texas 78711-2080

Re: Progress Report

Dear Charles G. Trout:

We do not have anything new to report at this time. However, should the transfer of the Lonestar Park license be transferred to Global Gaming Solutions, LLC at this month's meeting, we will begin preparing all necessary documentation to the Texas Racing Commission requesting the transfer of Saddle Brook Park's license to Global Gaming, LLC.

Respectfully Submitted,
Drew Alexander
President and C.E.O.
Saddle Brook Park

Office 806-359-9546 • Fax 806-359-5239
3611 Soncy, Suite 9A • P. O. Box 50597 • Amarillo, Texas 79159
www.saddlebrookpark.net

Valle de los Tesoros
3900 N. McColl Road
McAllen, Texas 78501
Phone: 956-687-7751 Fax: 956-687-8569

2011 FEB 22 AM 10:14

RECEIVED
TEXAS RACING
COMMISSION

February 21, 2011

VIA FACSIMILE

Mr. Chuck Trout
Interim Executive Director
Texas Racing Commission
8505 Cross Park Drive, Suite 110
P. O. Box 12080
Austin, Texas 78711

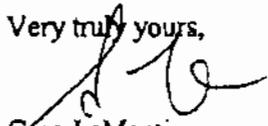
RE: Tesoros Race Park Progress Report

Dear Mr. Trout:

Please accept this written progress report for Tesoros Race Park in preparation for the March 1, 2011 Commission meeting.

As the Commission is aware, Valle de los Tesoros, Ltd. ("VDLT") is seeking the approval of the Texas Racing Commission ("TRC") to operate a temporary simulcast facility in Hidalgo County (McAllen), Texas. VDLT has located two alternative prospective sites in Hidalgo County for the temporary facilities, which VDLT proposes to lease from the current owners. VDLT has submitted two "Authorization for Examination and Release of Information for Use in Approving Prospective Lessors of a Temporary Racetrack Location" to the Texas Racing Commission. We are awaiting results from these submissions.

Very truly yours,


Greg LaMantia

{66497/100031839.}

LRP Group, LTD
3900 N. McColl Road
McAllen, Texas 78501
Phone: 956-687-7751 Fax: 956-687-8569

2011 FEB 22 AM 10:14

RECEIVED
TEXAS RACING
COMMISSION

February 21, 2011

VIA FACSIMILE

Mr. Chuck Trout
Interim Executive Director
Texas Racing Commission
8505 Cross Park Drive, Suite 110
P. O. Box 12080
Austin, Texas 78711

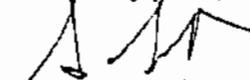
RE: Laredo Downs Status Report

Dear Mr. Trout:

Please accept this written progress report for Laredo Downs in preparation for the March 1, 2011 Commission meeting.

On October 27, 2010, LRP Group, Ltd. filed a Request for Approval of Change of Location ("Application") seeking Commission approval to relocate the proposed Laredo Downs racetrack from Laredo, Webb County, Texas, to Fort Worth, Tarrant County, Texas. It is my understanding that Commission staff is currently reviewing that Application. We are awaiting Commission action on this Application.

Very truly yours,



Greg LaMantia

165110/100031840.11



2011 FEB -9 PM 3:58

RECEIVED
TEXAS RACING
COMMISSION

VIA EMAIL AND FEDEX

February 8, 2011

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

Dear Mr. Trout:

We are in receipt of the Commission's request seeking a written progress report with respect to Laredo Race Park. We understand that this progress report will be included in the agenda packet for discussion during the upcoming Texas Racing Commission meeting on February 15, 2011. We look forward to answering any questions that the Commissioners may have at that time.

On January 20, 2011, we visited with Webb County and LIFE Downs officials about a variety of potential partnerships between the parties. Furthermore, Christopher McErlean, Vice President of Racing for Penn National Gaming was able to make the most recent meeting and participate in these discussions for the first time.

As you know we are currently awaiting approval of a 50% ownership transfer to Penn National Gaming as part of a new joint venture to own and operate our proposed racetrack in Laredo. The prompt approval of the transfer to Penn National Gaming would provide Texas both a well-capitalized and experienced partner to help bring racing to Laredo.

If you have any questions or comments about the contents of this letter, please feel free to contact me at any time.

Sincerely,

Andrea B. Young
President

Cc: Mark Fenner
Rex VanMiddlesworth

Laredo Race Park

7575 North Sam Houston Parkway West, Houston, TX, 77064 -281.807.8700

VI.C.5



Texas Racing Commission
Title 16, Part VIII
Chapter 313. Officials and Rules of Horse Racing
Subchapter B. Entries, Scratches, and Allowances

1 **Sec. 313.110.Coupled Entries.**

2 (a) (No change.)

3 (b) If two horses entered in a race are owned in whole or in
4 part by the same individual or entity, ~~or if the trainer owns an~~
5 ~~interest in either horse,~~ the entry shall be coupled as a single
6 wagering interest.

Texas Racing Commission
Title 16, Part VIII
Chapter 319. Veterinary Practices and Drug Testing
Subchapter B. Treatment of Horses

1 **Sec. 319.111. Bleeders and Furosemide Program.**

2 (a) (No change.)

3 (b) Admission to Furosemide Program.

4 (1) - (2) (no change.)

5 (3) The voluntary administration of furosemide without an
6 external bleeding incident shall not subject the horse to an
7 initial period of ineligibility under An EIPH event experienced
8 by a horse that is admitted to the furosemide program is deemed
9 to be a second EIPH event for the purpose of Subsection (g) of
10 this section.

11 (c) - (h) (No change.)

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Title 16, Part VIII
Chapter 307. Proceedings Before the Commission
Subchapter C. Proceedings by Stewards and Racing Judges

1 **Sec. 307.62.Disciplinary Hearings.**

2 (a)-(c) (No change.)

3 (d) Evidence.

4 (1)-(3) (No change.)

5 (4) The stewards and racing judges shall allow a full
6 presentation of evidence and are not bound by the technical
7 rules of evidence. However, the stewards and racing judges may
8 disallow evidence that is irrelevant or unduly repetitive of
9 other evidence. The stewards shall have the authority to
10 determine, in their sole discretion, the weight and credibility
11 of any evidence and/or testimony. The stewards and racing judges
12 may admit hearsay evidence if the stewards and racing judges
13 determine the evidence is of a type that is commonly relied on
14 by reasonably prudent people. The rules of privilege recognized
15 by state law apply in hearings before the stewards and racing
16 judges. Hearsay evidence that is not otherwise admissible under
17 the exceptions of the Texas Rules of Evidence is an insufficient
18 basis alone for a ruling.

19 (e) Burden of Proof. The burden of proof is on the person
20 bringing the complaint to show, by a preponderance of the
21 evidence, that the licensee has violated or is responsible for a
22 violation of the Act or a Commission rule.

23 (f) Continuances.

24 (1) Upon receipt of a notice, a person may request a
25 continuance of the hearing.

26 (2) For good cause shown, the stewards or racing judges may
27 grant a continuance of any hearing for a reasonable period of
28 time.

29 (3) The stewards or racing judges may at any time order a
30 continuance on their own motion.

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1 (g) [~~(e)~~] Agreed Settlement. The person who is the subject of
2 the disciplinary hearing may waive the right to a hearing and
3 subsequent appeal and enter into an agreed settlement with the
4 stewards or racing judges.

5 (h) [~~(f)~~] Failure to Appear. The stewards or racing judges may
6 suspend the license of a person who fails to appear at a
7 disciplinary hearing after receiving written notice of the
8 hearing until the matter is adjudicated.

9 (i) [~~(g)~~] Summary Suspension. If the stewards or racing judges
10 determine that a licensee's actions constitute an immediate
11 danger to the public health, safety, or welfare, the stewards or
12 racing judges may enter a ruling summarily suspending the
13 license, without a prior hearing. A summary suspension takes
14 effect immediately on issuance of the ruling. If the stewards or
15 racing judges suspend a license under this subsection, the
16 licensee is entitled to a hearing on the suspension not later
17 than three calendar days after the day the license is suspended.
18 The licensee may waive his or her right to a hearing on the
19 summary suspension within the three-day period.

1 **Sec. 321.12 Time Synchronization.**

2 (a) Display and verification of the accurate off time and start
3 of a race is critical. To ensure accurate verification of off
4 time with the close of betting on all races, the association
5 shall ensure:

6 (1) Tote times shall be synchronized to an atomic clock on a
7 start-of-day basis.

8 (2) Source video signal shall be synchronized with the atomic
9 clock.

10 (3) The time of day shall be displayed at the start of the
11 race in the HR:MN:SC format.

12 (b) Security system video, which monitors mutuel lines, shall be
13 synchronized with the atomic clock.

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Chapter 321. Pari-Mutuel Wagering
Subchapter A. Mutuel Operations
Division 1. General Provisions

1 **Sec. 321.15. License to Provide Totalisator Services.**

2 (a) To provide totalisator services to an association in Texas,
3 a totalisator company must be licensed by the Commission as a
4 Totalisator Vendor [~~vender~~]. The license application must
5 include:

6 (1) a copy of a current written contract to provide a
7 totalisator system to an association;

8 (2) a list of all totalisator personnel assigned to work in
9 Texas, or on behalf of an association operating in Texas, as
10 described in §321.123 of this title (relating to Personnel
11 Requirements);

12 (3) an affidavit stating that the totalisator company and its
13 employees will comply with the Rules and the Comptroller's rules
14 regarding totalisator operations; and.

15 (4) information of sufficient detail for the Commission to
16 determine that the totalisator company is in compliance with
17 Subchapter B of this chapter.

18 (b) (No change.)

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Subchapter A. Mutuel Operations
Division 2. Wagering Information and Results

1 **Sec. 321.23. Wagering Explanations.**

2 (a) An association shall include the following information in
3 the official live programs and simulcast programs and post in [
4 ~~conspicuous~~] places easily viewed by patrons and licensees on
5 association grounds:

6 (1) - (2) (No change.)

7 (3) the expiration date of mutuel tickets and vouchers.

8 (b) (No change.)

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Subchapter A. Mutuel Operations
Division 3. Mutuel Tickets and Vouchers

1 **Sec. 321.46 Payment on No Ticket Issue.**

2 When a ticket issuing machine does not produce a paper ticket
3 due to a mechanical failure, the mutuel manager may validate the
4 wager through totalisator logs. If the transaction is a
5 winning wager and the mutuel manager pays the patron, then the
6 mutuel manager shall report the transaction to the commission on
7 a form prescribed by the commission.

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Subchapter C. Regulation of Live Wagering
Division 1. General Provisions

1 **Sec. 321.211. Carryover Pools.**

2 (a) - (e) (No change.)

3 (f) If the last performance is canceled, [~~the association shall~~
4 ~~place~~] the pool shall be deposited in an interest-bearing
5 account approved by the executive secretary. The [~~in escrow and~~
6 ~~the~~] pool and all accrued interest shall then be carried over
7 and included with the appropriate pool at the next succeeding
8 performance as an additional amount to be distributed.

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Subchapter C. Regulation of Live Wagering
Division 2. Distribution of Pari-mutuel Pools

1 **Sec. 321.312.Pick (n) [~~(N)~~].**

2 (a) - (m) (No change.)

3 (n) When the condition of the turf course warrants a change of
4 racing surface in any of the races open to pick (n) wagering,
5 and such change has not been made known to the betting public
6 prior to the close of wagering for the first pick (n) race, the
7 Stewards shall declare the changed races a "no contest" for pick
8 (n) wagering purposes and the pool shall be distributed in
9 accordance with subsection (m) of this section. Following the
10 designation of a race as a "no contest", no tickets shall be
11 sold selecting a horse in such "no contest" race.

12 (o) [~~(n)~~] If on the last performance of the race meeting or on a
13 designated mandatory payout performance the major pool is not
14 distributable under subsection (h) of this section, the major
15 pool and all money carried forward into that pool from previous
16 performances shall be combined with the minor pool and
17 distributed to the holders of tickets correctly designating the
18 most, but not all, of the races comprising the pick (n) for that
19 performance.

20 (p) [~~(o)~~] If the final or designated mandatory payoff
21 performance is canceled or the major pool has not been
22 distributed, the major pool shall be deposited in an interest-
23 bearing account approved by the executive secretary. The
24 [~~eserowed by the association and the~~] major pool plus all
25 accrued interest shall then be carried over and included in a
26 major pool offered on one of the first five days of the next
27 subsequent race meeting or on the next performance after the
28 undistributed mandatory payout performance, as approved by the
29 executive secretary.

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1 (q) [~~(p)~~] Except for refunds required by this section, a pick
2 (n) ticket may not be sold, exchanged, or canceled after the
3 close of wagering on the first of the pick (n) races.
4 (r) [~~(q)~~] A person may not disclose the number of tickets sold
5 in the pick (n) pool or the number or amount of tickets
6 selecting winners of the races comprising the pick (n) until the
7 results of the last race comprising the pick (n) are official.
8 The totalisator equipment shall be programmed or constructed to
9 suppress the publication or printing of any such information,
10 except the total number of dollars wagered in the pick (n),
11 until the results of the last race comprising the pick (n) are
12 official.

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1 **Sec. 321.320 Super Hi-Five**

2 (a) The super hi-five is not a parlay and has no connection with
3 or relation to the win, place, and show pools shown on the tote
4 board. All tickets on the super hi-five shall be calculated as a
5 separate pool.

6 (b) A person purchasing a super hi-five ticket shall select the
7 five animals that will finish first, second, third, fourth, and
8 fifth in one race. The pool shall be distributed only to the
9 holders of tickets that select the same order of finish as
10 officially posted.

11 (c) If no super hi-five ticket is sold for the winning
12 combination, then the net pool shall be carried over and paid
13 out in the following manner:

14 (1) The entire pool shall be carried over and made available
15 on the next consecutive super hi-five pool, and is combined with
16 and added to the net pool for such qualifying pool, and made
17 available for payout, or

18 (2) An association can, at its option, announce a consolation
19 pool, 25% of the net pool, will be offered. The offering of a
20 consolation pool shall be announced at least 72 hours in advance
21 of the first day upon which a consolation pool will be offered,
22 and shall be publicized. Notice of the consolation pool may be
23 announced, by way of example, via press release, internet,
24 simulcast signal, and on-track announcements.

25 (3) If there are no ticket holders who selected first-place,
26 second-place, third-place, fourth-place, and fifth-place
27 finishers in order and a consolation pool is offered, then a
28 consolation pool shall be established. The consolation pool
29 shall be equal to 25% of the net pool and distributed as a

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1 single price pool among those ticket holders and paid out as
2 follows:

3 (A) To those who selected first-place, second-place, third-
4 place, and fourth-place finishers in order. If there are no such
5 wagers, then

6 (B) To those who selected first-place, second-place, and
7 third-place finishers in order. If there are no such wagers,
8 then

9 (C) To those who selected first-place and second-place
10 finishers in order. If there are no such wagers, then

11 (D) To those who selected the first-place finishers.

12 (E) If the super hi-five pool cannot otherwise be
13 distributed in accordance with this section, the money in the
14 super hi-five consolation pool shall be carried forward to the
15 next consecutive super hi-five pool.

16 (d) The minimum number of wagering interests required to offer
17 super hi-five wagering shall be seven actual starters.

18 (e) Super hi-five wagers on races in which wagering has been
19 canceled or the race declared no contest shall be refunded. Any
20 carryover pool added to the net pool of a super hi-five race
21 which is canceled shall carry forward to be added to the next
22 consecutive super hi-five wagering pool.

23 (f) If less than five animals finish and the race is declared
24 official by the stewards or judges, then pay off shall be made
25 to ticket holders selecting the finishing animals in order of
26 finish as provided above.

27 (g) In the event of a dead heat in any finishing position, the
28 wagers be paid as follows:

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1 (1) All wagers selecting either of the dead-heat positions
2 with the correct non-dead-heat position shall be winners and
3 share in the pool;

4 (2) Payouts will be calculated by splitting the pool equally
5 between each winning combination, then dividing split pools by
6 the number of winning tickets. A dead heat will produce separate
7 and distinct payouts respective to each winning combination.

8 (h) If the final day of a race meeting is canceled or the super
9 hi-five pool has not been distributed, the pool shall be
10 deposited in an interest-bearing account approved by the
11 executive secretary. The pool plus all accrued interest shall
12 then be carried over and added to the super hi-five pari-mutuel
13 pool in the following race meeting on a date and performance
14 designated by the executive secretary.

15 (i) If an animal is scratched or declared a nonstarter, no
16 further tickets may be issued designating such animal and all
17 super hi-five tickets previously issued designating such animal
18 shall be refunded and the money deducted from the gross super
19 hi-five pool.

20 (j) For purposes of statutory deductions and commissions, the
21 net amount does not include any amounts carried over from any
22 previous super hi-five pool.

1 **Section 321.321 Fortune Pick (n).**

2 (a) The fortune pick (n) wager is not a parlay and has no
3 connection with or relation to the win, place, and show pools
4 shown on the tote board. All tickets on the fortune pick (n)
5 shall be calculated as a separate pool.

6 (b) The fortune pick (n) pari-mutuel pool consists of amounts
7 contributed for a selection to win only in each of six, seven,
8 eight, nine, or 10 races designated by the association. After
9 designating the number of races comprising the fortune pick (n),
10 the association may not change the number during a race meeting
11 without prior written approval of the executive secretary.

12 (c) A person purchasing a fortune pick (n) ticket shall
13 designate the winning animal in each of the races comprising the
14 fortune pick (n). The association shall issue to the purchaser
15 of a fortune pick (n) ticket a ticket that reflects each of the
16 purchaser's selections.

17 (d) A fortune pick (n) ticket is a contract between the holder
18 of the ticket and the association and the ticket constitutes
19 acceptance of this section. The association, totalisator
20 company, and the State of Texas are not liable to a person for a
21 fortune pick (n) ticket that is not a winning ticket under this
22 section or for a fortune pick (n) ticket that is not delivered.

23 (e) A coupled entry or mutuel field in a race that is part of
24 the fortune pick (n) races shall race as a single betting
25 interest for the purpose of mutuel pool calculations and payoffs
26 to the public.

27 (f) The fortune pick (n) pool shall be distributed as provided
28 by this section. The net pool in the fortune pick (n) pool is
29 divided into a major pool and a minor pool. The association may

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1 designate the major pool **percentage** to consist of either 75% or
2 50% of the net amount wagered on the fortune pick (n). The
3 remaining percentage constitutes the minor pool. The association
4 shall notify the executive secretary in writing before the
5 beginning of each race meeting of its designation regarding the
6 division between the major and minor pools. After designating
7 the division between the major and minor pools, an association
8 may not change the division during a race meeting without prior
9 written approval of the executive secretary.

10 (g) Fortune pick (n) with minor pool and carryover with unique
11 wager: the entire net fortune pick (n) pool and carryover, if
12 any, shall be distributed to the holder of a unique wager
13 selecting the first place finisher in each of the selected
14 fortune pick (n) contests, based upon the official order of
15 finish. If there is no unique wager selecting the first place
16 finisher in all fortune pick (n) contests, the minor share of
17 the net fortune pick (n) pool shall be distributed as a single
18 price pool to those who selected the first place finisher in the
19 greatest number of fortune pick (n) contests; and the major
20 share shall be added to the carryover.

21 (h) Unique wager, as used in this rule, shall be defined as
22 having occurred when the total amount wagered on a winning
23 combination selecting the first place finisher in each of the
24 selected fortune pick (n) contests, based upon the official
25 order of finish, is equal to the minimum allowable wager.

26 (i) If there is a dead heat for first in any of the fortune pick
27 (n) contests involving:

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1 (1) Contestants representing the same betting interest, the
2 fortune pick (n) pool shall be distributed as if no dead heat
3 occurred.

4 (2) Contestants representing two or more betting interests,
5 the fortune pick (n) pool shall be distributed as a single price
6 pool with each unique winning wager receiving an equal share of
7 the profit.

8 (j) Should a betting interest in any of the fortune pick (n)
9 contests be scratched, excused, or determined to be a non-
10 starter, all tickets sold containing the scratched animal shall
11 be refunded. The money refunded will be deducted from the gross
12 pool. **the actual favorite, as shown by the largest amount**
13 **wagered in the win pool at the time of the start of the race,**
14 **will be substituted for the non-starting selection for all**
15 **purposes, including pool calculations and payoffs. If there are**
16 **two or more favorites in the win pool, both favorites will be**
17 **substituted for the non-starting selection.**

18 (k) Except as otherwise provided by this subsection, if one or
19 more races in the fortune pick (n) are canceled or declared a
20 "no race", the amount contributed to the major pool for that
21 performance shall be added to the minor pool for that
22 performance and distributed as an extra amount in the minor pool
23 to the holders of the tickets that designate the most winners in
24 the remaining races. All contributions to the major pool from
25 prior performances shall remain in the major pool, to be carried
26 forward to the next performance to be paid in the major pool for
27 that performance. If the stewards or racing judges cancel or
28 declare as a "no race" in three or more of the races comprising
29 a fortune pick six, seven, or eight, four or more of the races

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1 comprising the **fortune** pick nine, or five or more of the races
2 comprising the **fortune** pick 10, the fortune pick (n) is canceled
3 and the association shall refund all pick (n) tickets. A person
4 may not win the major pool unless the person holds a fortune
5 pick (n) ticket that correctly designates the official winners
6 of all the scheduled races comprising the fortune pick (n) for
7 that performance **unless it is on the last performance of the**
8 **race meeting or a designated mandatory payout performance.** On
9 the last performance of a race meeting or on a designated
10 mandatory payout performance, if one or ~~two~~ **more** races
11 comprising the **fortune** pick (n) ~~(1)~~ are canceled or declared a
12 "no race", the major pool and the minor pool for that
13 performance shall be combined with the prior performance major
14 pool and be paid to those holders of tickets who correctly
15 designated the most winners of the remaining races of the
16 fortune pick (n). ~~If three or more races comprising the fortune~~
17 ~~pick (n) are canceled or declared a "no race", the association~~
18 ~~shall refund all fortune pick (n) tickets and the prior~~
19 ~~performance major pool shall be distributed in accordance with~~
20 ~~subsection (m) of this section. **If on the last performance of**~~
21 ~~**the race meeting or on a designated mandatory payout performance**~~
22 ~~**the major pool and the minor pool cannot be distributed in**~~
23 ~~**accordance with this subsection then the major and minor pool**~~
24 ~~**shall be handled in accordance with subsection (n) of this**~~
25 ~~**section.**~~

26 (1) When the condition of the turf course warrants a change of
27 racing surface in any of the races open to fortune pick (n)
28 wagering, and such change has not been made known to the betting
29 public prior to the close of wagering for the first fortune pick

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1 (n) race, the Stewards shall declare the changed races a "no
2 contest" for fortune pick (n) wagering purposes and the pool
3 shall be distributed in accordance with subsection (k) of this
4 section. Following the designation of a race as a "no contest",
5 no tickets shall be sold selecting a horse in such "no contest"
6 race.

7 (m) If on the last performance of the race meeting or on a
8 designated mandatory payout performance the major pool is not
9 distributable under subsection (g) of this section, the major
10 pool and all money carried forward into that pool from previous
11 performances shall be combined with the minor pool and
12 distributed to the holders of tickets correctly designating the
13 most, ~~but not all,~~ of the races comprising the fortune pick (n)
14 for that performance.

15 (n) If the final or designated mandatory payoff performance is
16 canceled or the major pool has not been distributed, the major
17 pool shall be deposited in an interest-bearing account approved
18 by the executive secretary. The major pool plus all accrued
19 interest shall then be carried over and included in a major pool
20 offered on one of the first five days of the next subsequent
21 race meeting or on the next performance after the undistributed
22 mandatory payout performance, as approved by the executive
23 secretary.

24 (o) Except for refunds required by this section, a fortune pick
25 (n) ticket may not be sold, exchanged, or canceled after the
26 close of wagering on the first of the fortune pick (n) races.

27 (p) A person may not disclose the number of tickets sold in the
28 fortune pick (n) pool or the number or amount of tickets
29 selecting winners of the races comprising the fortune pick (n)

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1 until the results of the last race comprising the fortune pick
2 (n) are official. The totalisator equipment shall be programmed
3 or constructed to suppress the publication or printing of any
4 such information, except the total number of dollars wagered in
5 the fortune pick (n), until the results of the last race
6 comprising the fortune pick (n) are official.

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Subchapter D. Simulcast Wagering
Division 3. Simulcasting at Horse Racetracks

1 **Sec. 321.417. Emergency Procedures.**

2 (a) If an association is unable to establish or to maintain the
3 audio or video signal from a host racetrack, the association
4 shall immediately notify the host racetrack of the lost signal
5 and may continue to accept wagers for four hours [~~30 minutes~~]
6 while attempting to establish the signal.

7 (b) If after four hours [~~30 minutes~~] the audio or video signal
8 cannot be established the association may continue to accept
9 wagers on the signal provided:

10 (1) the mutuel manager makes an announcement to the public
11 informing them that due to technical difficulties the audio or
12 video signal has been lost;

13 (2) the association transmits the odds on the affected race to
14 the video department to be displayed to the patrons; and

15 (3) the totalisator operator locks all wagering on the affected
16 race at zero minutes to post to ensure the integrity and
17 transfer of the wagering pools.

18 (c) (No change.)

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Subchapter D. Simulcast Wagering
Division 3. Simulcasting at Horse Racetracks

1 **Sec. 321.503. Purses.**

2 (a) To be approved by the executive secretary, an association's
3 request for approval to import a simulcast must allocate for
4 purses as follows:

5 (1) for a same species simulcast, as provided by the Act, §6.08;
6 and

7 (2) for a cross-species simulcast, as provided in the contract
8 with the officially recognized horsemen's organization.

9 (b) An [~~To be approved by the executive secretary, an~~]
10 association's request for approval to export a simulcast must
11 allocate a minimum of 37.0% for purses from the simulcast fee
12 charged to the guest racetrack, unless otherwise approved by the
13 recognized horsemen's organization and the executive secretary.

14 (c) (No change.)

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Subchapter E. Ticketless Electronic Wagering
Division 1. Conduct of E-Wagering

1 **Sec. 321.605. E-Wagering Plan.**

2 (a) To be approved to conduct E-wagering, an association must
3 submit a plan to the executive secretary. The plan must include:

4 (1) - (4) (No change.)

5 (5) the procedures for closing an account; [~~and~~]

6 (6) the procedures for suspending an account; and

7 (7) [~~+6~~] a description of the totalisator system and E-wagering
8 access system.

9 (b) (No change.)