

TEXAS RACING COMMISSION

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COMMITTEE ON RULES

Tuesday, June 7, 2011
1:30 p.m.
Animal Health Commission
2105 Kramer Lane
Auditorium
Austin, Texas 78758

Agenda

The Committee will discuss the following items.

The Committee will discuss the status and potential conclusion of current rule reviews under Texas Gov't Code § 2001.039, including the following chapters:

- Chapter 307, Proceedings Before the Commission
- Chapter 321, Pari-mutuel Wagering
- Chapter 323, Disciplinary Action and Enforcement

Requests for Rule Changes

- Request by Commission staff to amend the rules to allow claims for certain lost or destroyed pari-mutuel tickets or vouchers. Affected rules may include:
 - § 321.1, Definitions and General Provisions;
 - § 321.35, Claim for Payment;
 - § 321.41, Cashing Outstanding Tickets; and
 - § 321.42, Cashing Outstanding Vouchers.
- Request by Commission staff to adopt rules relating to the conduct of wagering on imported simulcast harness races.

Discussion of potential rule requirements resulting from the passage of HB 2271, 82nd Legislature, Regular Session.

The Committee will discuss whether to recommend that the Commission initiate rule reviews of the following chapters:

- Chapter 301, Definitions
- Chapter 303, General Provisions
- Chapter 319, Veterinary Practices and Drug Testing

The public will be given an opportunity to address the Committee and identify any potential subjects that it would like placed on the agenda for discussion at a future committee meeting.

CURRENT RULE REVIEWS CHAPTERS 307, 321, & 323

Texas Government Code § 2001.039 requires state agencies to review all current rules to determine whether the reasons for initially adopting the rules continue to exist. The review must be conducted not later than the fourth anniversary of the date on which the rule takes effect and every four years after that date. The state agency must readopt, readopt with amendments, or repeal a rule as the result of reviewing the rule.

On December 2, 2009, the Commission opened the review of Chapter 307, Proceedings before the Commission, Chapter 321, Pari-mutuel Wagering, and Chapter 323, Disciplinary Action and Enforcement. Notice of the review was published in the January 1, 2010, edition of the *Texas Register* (35 TexReg 113). The commission received no comments on the rule review in response to the notice other than the comments received in response to individual rule proposals.

The *Table of Contents* for Chapters 307, 321, and 323 are attached. A notation has been placed beside each rule that has been repealed, added, or amended during the review process. Staff has completed its review of each chapter, with the exception of Subchapter B of Chapter 321. Staff is working with Racing Commissioners International (RCI) on the rules within Subchapter B and has proposed that revisions to these rules be considered by RCI for adoption as national model rules.

Staff recommends that the Commission authorize staff to publish notice of readoption of Chapters 307 and 323, and readoption of Subchapters A, C, and D of Chapter 321.

CHPT. 307. PROCEEDINGS BEFORE THE COMMISSION

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§ 323.201	Reporting of Criminal Activity and Convictions
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1 Section 321.1. Definitions

2 (a) The following words and terms, when used in this chapter,
3 shall have the following meanings, unless the context clearly
4 indicates otherwise:

5 (1) ASCII formatted flat file--A data file containing
6 structured data which is both record and field delimited
7 containing only characters found in the American Standard Code
8 for Information Interchange (ASCII) specification.

9 (2) Betting interest--a single race animal or a group of race
10 animals coupled pursuant to the Rules which the totalisator
11 system designates as an interest on which a patron may wager.

12 (3) Export simulcast--a race simulcast from a racetrack
13 facility.

14 (4) Firmware--The system software permanently stored in a
15 computer or ticket issuing machine's read-only memory or
16 elsewhere in the circuitry that cannot be modified by the user.

17 (5) Guest racetrack--a racetrack facility at which a simulcast
18 race is received and offered for wagering purposes; a receiving
19 location, as defined in the Act, §1.03(64).

20 (6) Host racetrack--a racetrack facility at which a race is
21 conducted and simulcast for wagering purposes; a sending track,
22 as defined in the Act, §1.03(66).

23 (7) Import simulcast--a simulcast race received at a racetrack
24 facility.

25 (8) Intelligent Terminal--a terminal or peripheral device
26 which contains code extending beyond that which is necessary to
27 allow the terminal to communicate with the central controlling
28 device to which it is directly attached or to control the
29 presentation of data on the display unit of the device.

1 (9) Log--an itemized list of each command, inquiry, or
2 transaction given to a computer during operation.

3 (10) Major Revision--a specific release of a hardware or
4 software product, including additional functionality, major user
5 interface revisions, or other program changes that significantly
6 alter the basic function of the application.

7 (11) Minor Revision--an incrementally improved version of
8 hardware or software, usually representing an error (bug) fix,
9 or a minor improvement in program performance which does not
10 alter basic functionality.

11 (12) Multi-leg wager--a wagering pool that involves more than
12 one race.

13 (13) Player Tracking System--a system that provides detailed
14 information about pari-mutuel play activity of patrons who
15 volunteer to participate. The system can be used to customize
16 highly specific promotions and tailor rewards to encourage
17 increased play by patrons. The system should be able to produce
18 customized informational reports based on such parameters as
19 type of wager, type of race, favorite race meet, or other
20 parameters deemed helpful by the association in supporting the
21 patron.

22 (14)~~(13)~~ Remote site--a racetrack or other location at which
23 wagering is occurring that is linked via the totalisator system
24 to a racetrack facility for pari-mutuel wagering purposes.

25 (15)~~(14)~~ Report--a summary of betting activity.

26 (16)~~(15)~~ Resultant--the profit-per-dollar wagered in a pari-
27 mutuel pool computation.

28 (17)~~(16)~~ Ticketless Electronic Wagering (E-wagering)--a form
29 of pari-mutuel wagering in which wagers are placed and cashed

1 through an electronic ticketless account system operated through
2 a licensed totalisator vendor in accordance with §11.04 of this
3 Act. Wagers are automatically debited and credited to the
4 account holder.

5 (18)~~(17)~~ TIM--ticket-issuing machine.

6 (19)~~(18)~~ TIM-to-Tote network--a wagering network consisting of
7 a single central processing unit and the TIMs at any number of
8 remote sites.

9 (20)~~(19)~~ Totalisator system--a computer system that registers
10 and computes the wagering and payoffs in pari-mutuel wagering.

11 (21)~~(20)~~ Totalisator operator--the individual assigned to
12 operate the totalisator system at a racetrack facility.

13 (22)~~(21)~~ Tote-to-tote network--a wagering network in which
14 each wagering location has a central processing unit.

15 (23)~~(22)~~ User--a totalisator company employee authorized to
16 use the totalisator system in the normal course of business.

17 (b) A reference in this chapter to the mutuel manager includes
18 the mutuel manager's designee, in accordance with §313.53 of
19 this title (relating to Mutuel Manager) or §315.36 of this title
20 (relating to Mutuel Manager.)

21 (c) A request required to be made in writing under this chapter
22 may be transmitted via hand delivery, e-mail, facsimile, courier
23 service, or U.S. mail.

1 Section 321.35. Claim for Payment

2 (a) Claims on pari-mutuel tickets or vouchers presented for
3 payment.

4 (1) An association shall accept a claim for payment if the
5 association has withheld payment or has refused to cash a pari-
6 mutuel ticket or a voucher presented for payment. The claim for
7 payment must be ~~made~~ on a form prescribed by the association and
8 approved by the executive secretary. ~~signed by the claimant.~~

9 ~~(b)~~ (2) The original of the claim must be signed by the
10 claimant and shall be promptly forwarded to the Commission.

11 ~~(b) If a claim is made for payment of a mutilated ticket that~~
12 ~~does not contain the information required under §321.29 of this~~
13 ~~title (relating to Mutuel Tickets), the~~

14 (3) The association shall make a recommendation to
15 accompany the claim forwarded to the Commission. The
16 recommendation must state whether or not the ~~mutilated~~ ticket or
17 voucher can ~~has sufficient elements to~~ be positively identified
18 as a winning ticket or voucher.

19 ~~(c) If a claim is made for payment of a mutilated voucher that~~
20 ~~does not contain the information required under §321.31 of this~~
21 ~~title (relating to Vouchers), the association shall make a~~
22 ~~recommendation to accompany the claim forwarded to the~~
23 ~~Commission. The recommendation must state whether or not the~~
24 ~~mutilated voucher has sufficient elements to be positively~~
25 ~~identified as an outstanding voucher.~~

26 ~~(d)~~ (4) If a claim is made for the payment of a mutuel ticket
27 or a voucher, the executive secretary shall investigate the
28 claim and may:

29 (A) ~~(1)~~ order the association to pay the claim;

1 ~~(B)(2)~~ deny the claim; or

2 ~~(C)(3)~~ enter any other order the executive secretary
3 determines appropriate.

4 (b) Claims on pari-mutuel tickets or vouchers that have been
5 lost or destroyed.

6 (1) An association may cash a lost or destroyed ticket
7 voucher if the ticket or voucher has not been previously cashed
8 and the claimant can:

9 (A) demonstrate ownership via the use of the
10 claimant's unique and personally identifiable player tracking
11 account at the association where the transaction was made on the
12 claimant's account; or

13 (B) provide the mutuel manager sufficient information
14 whereby the transaction can be positively verified through
15 wagering system logs.

16 (2) If an association refuses to pay a claim for a lost or
17 destroyed ticket or voucher, the claimant may file a claim for
18 payment with the Commission. The claim for payment must be on a
19 form prescribed by the association and approved by the executive
20 secretary.

21 (A) The original of the claim must be signed by the
22 claimant, and shall be promptly forwarded to the Commission.

23 (B) The association shall make a recommendation to
24 accompany the claim forwarded to the Commission. The
25 recommendation must state;

26 (i) whether or not the ticket or voucher can be
27 positively verified as a winning transaction.

1 (ii) whether or not the ticket or voucher has
2 been previously cashed, and date the ticket or voucher was
3 cashed, and

4 (iii) the reason the association refused to pay
5 the claimant.

6 (3) If a claim for payment is received by the executive
7 secretary under subsection (b)(2) of this section, the executive
8 secretary shall investigate the claim and may:

9 (A) order the association to pay the claim;

10 (B) deny the claim; or

11 (C) enter any other order the executive secretary
12 determines appropriate.

13 (c) An association shall be responsible for maintaining records
14 and logs to validate claims for payments in this section.
15 Records and logs must be maintained for 365 days.

16 (d) In the event a claim is made for a ticket that meets the
17 criteria established in §321.41(a) of this chapter (relating to
18 Cashing Outstanding Tickets), the claim must be approved by the
19 executive secretary before the claim may be paid.

20 ~~(e) A claim may not be made for a lost or destroyed mutuel~~
21 ~~ticket or voucher.~~ In the event a claim is made for a voucher
22 that meets the criteria established in §321.42(a) of this
23 chapter (relating to Cashing Outstanding Vouchers), the claim
24 must be approved by the executive secretary before the claim may
25 be paid.

1 Section 321.41. Cashing Outstanding Tickets

2 (a) For purposes of this section, an outstanding ticket is one
3 that was purchased for a race held at least 21 days before the
4 date the ticket is presented for payment.

5 (b) An association shall designate one ticket window where a
6 patron must cash an outstanding ticket. If the association needs
7 more than one window, the association must submit a written
8 request for approval from the executive secretary for additional
9 windows.

10 (c) The association may not permit an outstanding ticket to be
11 cashed at a ticket window other than a designated window.

12 (d) At the end of each race day, the mutuel manager shall
13 deliver to the pari-mutuel auditor:

14 (1) a list of the outstanding tickets that were cashed on the
15 previous race day; and

16 (2) a photostatic copy of each outstanding ticket cashed on
17 the previous race day.

18 (e) In the event a photostatic copy can not be provided, the
19 association will not be held liable for:

20 (1) a reader cashed ticket if the association can produce
21 documentation to support the ticket's existence; or

22 (2) a ticket cashed in accordance with the executive
23 secretary's approval under §321.35 (b) or (d) of this chapter
24 (relating to Claim for Payment).

1 Section 321.42. Cashing Outstanding Vouchers

2 (a) For purposes of this section, an outstanding voucher is one
3 that was issued at least 21 days before the date the voucher is
4 presented for payment.

5 (b) An association shall designate one mutuel window where a
6 patron must cash an outstanding voucher. If the association
7 needs more than one window, the association must submit a
8 written request for approval from the executive secretary for
9 additional windows.

10 (c) The association may not permit an outstanding voucher to be
11 cashed at a mutuel window other than a designated window.

12 (d) At the end of each race day, the mutuel manager shall
13 deliver to the pari-mutuel auditor:

14 (1) a list of the outstanding vouchers that were cashed on the
15 previous race day; and

16 (2) a photostatic copy of each outstanding voucher cashed on
17 the previous race day.

18 (e) In the event a photostatic copy can not be provided, the
19 association will not be held liable for:

20 (1) a reader cashed voucher if the association can produce
21 documentation to support the ticket's existence; or

22 (2) a voucher cashed in accordance with the executive
23 secretary's approval under §321.35(b) or (e) of this chapter
24 (relating to Claim for Payment).



Memorandum

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

Date: May 31, 2011

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director for Wagering & Racing Review

RE: Rules Committee Meeting Agenda Packet Material for the Agenda Item on the Importing of Standardbred (Harness) Simulcast Signals

Attached to this memorandum or the following documents for the June 7, 2011, Rules Committee Agenda Packet:

1. Request for Proposed Change to Commission Rule 321.407,
2. Current Policy on Importing of Harness Signals, and
3. Letter from Retama Park's Simulcast Coordinator, Steve Ross, requesting a change to Commissions Policy on Importing of Harness Signals.

If you have any questions, please feel free to contact me.

CC: Chuck Trout, Executive Director

TEXAS RACING COMMISSION

COMMITTEE ON RULES

Date of Request: May 27, 2011

Request for Proposed Change to an Existing Rule or Addition of a New Rule to the Rules of Racing

Please submit this information to the attention of the Executive Director *at least 21 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, TX 78754-4552
Phone: 512/833-6699 Fax: 512-833-6907
email: info@txrc.state.tx.us

Contact Information:

Name:	Sammy Jackson	Phone(s):	512-833-6699
E-mail address:		Fax number:	512-833-6907
Mailing address:			

Personal Submission *OR*

Submission on behalf of Steve Ross, Simulcast Coordinator of Retama Park
(Name of Organization)

If known, Proposed Change to Chapter: 321, Rule 407

If known, Proposed Addition to Chapter: n/a

If known, Other Rules Affected by Proposal: none

A. Brief Description of the Issue

Some Texas racetracks are unable to meet current requirements for approval to Simulcast Import Wagering on Standardbred (Harness) Races

B. Discussion of the Issue and Problem

Provide background on the issue to build context. Address the following:

- *What specific problems or concerns are involved in this issue?*
- *Who does the issue affect?*
- *What existing model rules relate to this issue?*
- *Provide relevant quantitative or statistical information if possible.*

Specific Problems:

The Commission's current policy restricts a Texas racetrack from importing standardbred (harness) races for simulcast wagering unless a meet-for-meet reciprocal agreement exists between the standardbred racetrack and the Texas racetrack. The associations have requested a change to the current policy to address the following issues:

1. Not all Texas racetracks, specifically class-2 and class-3 horse racetracks, find it profitable to export its live racing product. A racetrack's decision not to export its live racing prevents it from importing a standardbred signal.
2. Not all Texas racetracks, specifically greyhound racetracks, are able to sell their signal to standardbred racetracks as greyhound racing is not authorized in any of the standardbred jurisdictions.

Affected Parties:

1. All Associations
2. All Breed Registries
3. The Texas Horsemen's Partnership
4. The State General Revenue Fund
5. The Commission's Escrow Horse Purse Account

C. Possible Solutions and Impact

Provide possible recommendations to solve the problem. Include details on each proposed solution such as:

- *What solution does this proposal provide?*
- *How will the solution fix the problem?*
- *How will the change affect any entities or stakeholders?*
- *How will you or your organization be affected by the proposed change?*
- *What are the benefits of the proposed change?*
- *What are the possible drawbacks of the proposed change?*
- *Identify possible fiscal impact of the recommended change.*

Proposed Solution:

Amend Commission Rule 321.407, Approval of Wagering on Simulcast Import Races, to clarify that simulcast import horse races may include Thoroughbreds, Quarter Horses, Arabians, Paint Horses, Appaloosas, Standardbreds, or a mixture of the aforementioned breeds of horses.

Eliminating the policy that requires a reciprocal meet-for-meet agreement only for Standardbred racing ensures that all Texas racetracks are eligible to import standardbred races. This solution mirrors the policy for all other imported horse or greyhound races.

This change will have a positive fiscal impact, including to the State's General Revenue Fund, if additional tracks request and receive Commission approval to import standardbred races.

Grounds for Proposed Solution

The Texas Racing Act, Sec. 11.011, directs the Commission to regulate the importing of horse races to Texas racetracks. It mandates the Commission approve all aspects of importing horse and greyhound races. This proposed change clarifies the various types of horse races that are eligible for simulcast import wagering. Applicable parts of Section 11.011 follow:

Section 11.011. Simulcast Races.

- (a) The commission shall adopt rules to license and regulate pari-mutuel wagering on:
- (1) races conducted in this state and simulcast to licensed racetrack associations in this state or to out-of-state receiving locations; and
 - (2) races conducted out-of-state and simulcast to licensed racetrack associations in this state.
- (b) With approval of the commission, wagers accepted on a simulcast race by any out-of-state receiving location may be included in the pari-mutuel pool for the race at the sending racetrack association in this state.
- (c) With approval of the commission, wagers accepted by a licensed racetrack association in this state on a race simulcast from out-of-state may be included in the pari-mutuel pools for the race at the out-of-state sending racetrack.
- (d) The commission may adopt rules necessary to facilitate the interstate commingling of pari-mutuel pools as provided by Subsections (b) and (c) of this section.
- (e) The racetrack where the wager is made is responsible for reporting and remitting the state's share of the pari-mutuel pool.
- (f) Nothing in this Act is to be construed to allow wagering in Texas on simulcast races at any location other than a racetrack licensed under this Act that has been granted live race dates by the commission.
- (g) Nothing in this Act is to be construed to prohibit wagering on a simulcast horse race at a greyhound racetrack in this state, or to prohibit wagering on a simulcast greyhound race at a horse racetrack in this state. A horse racetrack may not be required to accept a greyhound simulcast signal, nor may a greyhound racetrack be required to accept a horse simulcast signal.

D. Support or Opposition

Please identify any affected stakeholder groups that expressed support or opposition. (These stakeholders may include the racetracks, breed registries, owners, kennel owners, trainers, jockeys, veterinarians, or others.)

- *For those stakeholder groups that have expressed an opinion, please list the points on which they agree or disagree, and the arguments they have expressed.*
- *Are there any affected stakeholder groups that have not been consulted on this proposal?*
- *Please submit any formal letters of support or opposition by stakeholder groups.*

E. Proposal

Provide rule language you are proposing. If you are proposing that current rule language be eliminated, please strikeout the language to be deleted. Please show new language with underlined text.

RULE §321.407 Approval of Wagering on Simulcast Import Races

- (a) To receive approval to conduct pari-mutuel wagering on a simulcast import horse or greyhound race, an association must file a request for approval to import to the executive secretary on a form prescribed by the executive secretary. A request for approval to import a simulcast must be filed at least one day before the first simulcast race covered by the request.
- (b) The executive secretary may approve a request for approval to import a simulcast, subject to rescission of the approval by the Commission at its next regular meeting.
- (c) The executive secretary may require the association to submit additional information if the executive secretary determines the additional information is necessary to effectively evaluate the request.
- (d) In considering whether or not to approve a request for approval to import a simulcast, the executive secretary shall consider:
- (1) the financial stability of the association and the effect simulcasting will have on the economic viability of the association;
 - (2) the operating experience of the association;
 - (3) the regulatory compliance and conduct of the association;
 - (4) the impact of the association's proposed simulcasting on purses at the association's racetrack; and
 - (5) the public interest that will be served by the simulcasting.
- (e) An association may not conduct pari-mutuel wagering on a simulcast import in place of a regularly scheduled live race, except as authorized by the executive secretary.
- (f) For the purposes of this section, a simulcast import horse race can be a race of Thoroughbreds, Quarter Horses, Arabians, Paint Horses, Appaloosas, Standardbreds, or a mixture of the aforementioned breeds of horses.

Simulcast Wagering Policy

“Policy on Importing of Harness Signals”

Division/Department	Wagering
Effective Date	04/18/2011
Revision Date	04/07/2011
Page No.	
New Revised	<input type="checkbox"/> <input checked="" type="checkbox"/>

SECTION 1. DEFINE CURRENT POLICY / ISSUES / RECOMMENDATION

1.1 CURRENT POLICY / ISSUES

Current Policy: *(Effective 1997 and Reaffirmed December 22, 1998)*

Permits the importing of harness signals to Texas racetracks for simulcast wagering purposes provided a day-for-day reciprocal arrangement exists with the harness racetrack to import the Texas racetrack's races.

Issues:

Industry Perspective

Nationally, racetracks have reduced live race dates in reaction to the decline in economy and decline in race animals available to run. As a result, Texas racetrack simulcast coordinators are struggling to fill voids in the daily and weekly simulcast schedules offered to the wagering public. Harness signals could help to fill the voids; however, the day-for-day reciprocal provision in the current policy prevents some Texas racetracks from doing so. The following are three specific reasons for this:

1. Texas racetracks are also reducing live race dates due to the decline in economy and decline in race animals available to run. As a result, this also reduces the number of days a Texas racetrack may import a harness signal. For example, a harness track offers 90 live race dates, but a Texas track offers only 30. The present policy, day-for-day, limits the Texas track to importing only 30 days of the harness racing.
2. Not all Texas racetracks, specifically class-2 and class-3 horse racetracks, have found it profitable to export its live racing product. The decision to not export a live racing product precludes a Texas racetrack from importing a harness signal.
3. Not all Texas racetracks, specifically greyhound racetracks, are able to sell their signal to harness racetracks as greyhound racing is not authorized in the harness racetrack's jurisdiction.

Lastly, Texas racetrack operators have stated that the lack of simulcast product has already led to cuts in hours of operation and will lead further cuts, including days of operation. This results in less dollars being wagered. Less dollars wagered results in lower pari-mutuel tax revenue to the State's General Revenue Fund, less purse money available to award the winning race animals running in Texas, less Texas-bred program funds to award the breeders of race animals running in Texas, and less revenue to fund the operations of the Texas racetracks.

Racing Commission Perspective

The Texas Racing Act is silent on harness racing; it does not specifically authorize wagering on harness racing nor does it specifically prohibit it. The Commission developed the current policy for the sole purpose of facilitating the export of Texas signals.

1.2 POLICY RECOMMENDATIONS

Permit the importing of harness signals to a Texas racetrack for simulcast wagering purposes provided a meet-for-meet reciprocal arrangement exists with the harness racetrack to import the Texas racetrack's race meet.

2.0 REVISION HISTORY

No changes have been made to the current policy since initial implementation in 1997.

3.0 SCOPE

This policy change will positively affect the Texas racetracks who export their live racing product to harness racetracks by allowing a meet-for-meet reciprocal exchange. This revised policy will not affect those racetracks that choose not to export its live racing product or greyhound racetracks that are unable to sell their signal because greyhound racing is not authorized in the harness racetracks' jurisdictions.

4.0 DEFINITIONS / FORMS

Definitions: None.

Forms: Automated through the TXRC online simulcast contract approval system.

5.0 RESPONSIBILITIES

Racetrack operators are responsible for obtaining the necessary approvals required to simulcast export and import signals. Most hire or designate a "simulcast coordinator" to act on the racetrack's behalf in these matters. Implementing this revised policy will not add to these responsibilities.

6.0 PROCEDURES

Commission Rule §321.405. Approval of Export Simulcast Races: Provides the procedures for obtaining approval to export live Texas races. Implementing this policy will not cause any changes to these procedures.
Commission Rule §321.407. Approval of Wagering on Simulcast Import Races: Provides the procedures for obtaining approval on simulcast import races. Implementing this revised policy will not cause any changes to these procedures.



RETAMA PARK

April 6, 2011

Sammy Jackson, Deputy Director for Wagering and Racing Review
Texas Racing Commission
P.O. Box 12080
Austin, TX 78711-2080

Dear Mr. Jackson:

Retama Park respectfully requests the Commission loosen its current policy regarding the import of harness racing by Texas tracks.

As you are aware, Texas tracks currently may import a harness track only if the harness track imports the Texas track, and on a day-for-day basis. With our reduction in live dates due to the decline in the economy and the declining horse population, our opportunities to take harness tracks are very limited. This is impacting my ability to fill our simulcast schedule.

Further exacerbating the problem is that tracks throughout the country are racing fewer days per week (very few race five days per week anymore), and most of those that have historically raced year-round now take a couple months off. If you look at the attached Retama Park simulcast schedule, many nights the majority of signals are greyhounds. In January and February, when Mountaineer was dark, all we had on Monday nights was greyhounds and only one or two horse tracks on several other weeknights.

As many harness tracks race nearly year-round and at night, the ability to take signals such as Maywood Park, Balmoral Park, Meadowlands Racetrack, Northfield Park, etc., would provide many benefits.

First, it would allow us avoid cutting operating hours and days of operation resulting in reduced wagering and less pari-mutuel tax to the state of Texas' General Revenue Fund. Second, it would increase the amount of purse money available for live races run at Retama Park. Third, it would increase the amount of Texas-bred funds to award to breeders running their horses in Texas. Fourth, it would increase revenue to help racetrack operators fund operations. Fifth, many Texas racing fans like harness racing and may come to the track more often. Six, taking increased harness racing develops good relations with harness tracks and will likely allow for increased export.

Thank you for your consideration.

Sincerely,

Steven M. Ross
Director of Simulcasting
Retama Park

1 AN ACT
2 relating to the continuation and functions of the Texas Racing
3 Commission, the abolishment of the Equine Research Account Advisory
4 Committee, and the authority of Texas AgriLife Research; providing
5 an administrative penalty.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Section 1.03, Texas Racing Act (Article 179e,
8 Vernon's Texas Civil Statutes), is amended by amending Subdivision
9 (52) and adding Subdivisions (80) and (81) to read as follows:

10 (52) "Performance" means the consecutive running of a
11 specified number of greyhound races as determined by the commission
12 [not more than 13 greyhound races].

13 (80) "Active license" means a racetrack license
14 designated by the commission as active.

15 (81) "Inactive license" means a racetrack license
16 designated by the commission as inactive.

17 SECTION 2. Section 2.071, Texas Racing Act (Article 179e,
18 Vernon's Texas Civil Statutes), is amended to read as follows:

19 Sec. 2.071. CONFLICT OF INTEREST. (a) A person may not be
20 a member of the commission and may not be a commission employee
21 employed in a "bona fide executive, administrative, or professional
22 capacity," as that phrase is used for purposes of establishing an
23 exemption to the overtime provisions of the federal Fair Labor
24 Standards Act of 1938 (29 U.S.C. Section 201 et seq.), if:

1 (1) the person is an ~~[An]~~ officer, employee, or paid
2 consultant of a Texas trade association in the field of horse or
3 greyhound racing or breeding; or

4 (2) the person's ~~[may not be a member of the commission~~
5 ~~or an employee of the commission who is exempt from the state's~~
6 ~~position classification plan or is compensated at or above the~~
7 ~~amount prescribed by the General Appropriations Act for step 1,~~
8 ~~salary group 17, of the position classification salary schedule.~~

9 ~~[(b) A person who is the]~~ spouse is ~~[of]~~ an officer,
10 manager, or paid consultant of a Texas trade association in the
11 field of horse or greyhound racing or breeding ~~[may not be a member~~
12 ~~of the commission and may not be an employee of the commission who~~
13 ~~is exempt from the state's position classification plan or is~~
14 ~~compensated at or above the amount prescribed by the General~~
15 ~~Appropriations Act for step 1, salary group 17, of the position~~
16 ~~classification salary schedule].~~

17 (b) A person may not be a member of the commission or act as
18 the general counsel to the commission if the person is required to
19 register as a lobbyist under Chapter 305, Government Code, because
20 of the person's activities for compensation on behalf of a
21 profession related to the operation of the commission.

22 (c) In ~~[For the purposes of]~~ this section, "Texas trade
23 association" means ~~[a Texas trade association is]~~ a cooperative and
24 voluntarily joined statewide ~~[nonprofit]~~ association of business
25 or professional competitors in this state designed to assist its
26 members and its industry or profession in dealing with mutual
27 business or professional problems and in promoting their common

1 interest.

2 SECTION 3. Article 2, Texas Racing Act (Article 179e,
3 Vernon's Texas Civil Statutes), is amended by adding Section 2.25
4 to read as follows:

5 Sec. 2.25. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE
6 RESOLUTION PROCEDURES. (a) The commission shall develop and
7 implement a policy to encourage the use of:

8 (1) negotiated rulemaking procedures under Chapter
9 2008, Government Code, for the adoption of commission rules; and

10 (2) appropriate alternative dispute resolution
11 procedures under Chapter 2009, Government Code, to assist in the
12 resolution of internal and external disputes under the commission's
13 jurisdiction.

14 (b) The commission's procedures relating to alternative
15 dispute resolution shall conform, to the extent possible, to any
16 model guidelines issued by the State Office of Administrative
17 Hearings for the use of alternative dispute resolution by state
18 agencies.

19 (c) The commission shall:

20 (1) coordinate the implementation of the policy
21 adopted under Subsection (a) of this section;

22 (2) provide training as needed to implement the
23 procedures for negotiated rulemaking or alternative dispute
24 resolution; and

25 (3) collect data concerning the effectiveness of those
26 procedures.

27 SECTION 4. Sections 3.07(b) and (e), Texas Racing Act

1 (Article 179e, Vernon's Texas Civil Statutes), are amended to read
2 as follows:

3 (b) The commission shall make rules specifying the
4 authority and the duties of each official, including the power of
5 stewards or judges to impose penalties for unethical practices or
6 violations of racing rules. A penalty imposed by the stewards or
7 judges may include a fine of not more than \$5,000, a suspension for
8 not more than one year, or both a fine and suspension. Before
9 imposing a penalty under this subsection, the stewards and judges
10 shall conduct a hearing that is consistent with constitutional due
11 process. A hearing conducted by a steward or judge under this
12 subsection is not subject to Chapter 2001, Government Code. A
13 decision of a steward or judge is subject to review by the executive
14 director, who may modify the penalty. A penalty modified by the
15 executive director under this section may include a fine not to
16 exceed \$10,000, a suspension not to exceed two years, or both a fine
17 and a suspension. A decision of a steward or judge that is not
18 reviewed or modified by the executive director is a final decision.
19 Any decision of a steward or judge may be appealed under Section
20 3.08(a) of this Act regardless of whether the decision is modified
21 by the executive director. [If, in the opinion of the stewards or
22 judges, the allowable penalties are not sufficient, the stewards or
23 judges may refer the case to the commission for further action.]

24 (e) To pay the charges associated with the medication or
25 drug testing, an association may use the money held by the
26 association to pay outstanding tickets and pari-mutuel vouchers.
27 If additional amounts are needed to pay the charges, the

1 association shall pay those additional amounts. [~~If the amount~~
2 ~~held exceeds the amount needed to pay the charges, the association~~
3 ~~shall pay the excess to the commission in accordance with Section~~
4 ~~11.08 of this Act.~~]

5 SECTION 5. Section 3.09(b), Texas Racing Act (Article 179e,
6 Vernon's Texas Civil Statutes), is amended to read as follows:

7 (b) The commission shall deposit the money it collects under
8 this Act in the State Treasury to the credit of a special fund to be
9 known as the Texas Racing Commission fund. The Texas Racing
10 Commission fund may be appropriated only for the administration and
11 enforcement of this Act. Any unappropriated money exceeding
12 \$750,000 that remains [~~remaining~~] in the [~~that special~~] fund at the
13 close of each fiscal biennium shall be transferred to the General
14 Revenue Fund and may be appropriated for any legal purpose. The
15 legislature may also appropriate money from the General Revenue
16 Fund for the administration and enforcement of this Act. Any amount
17 of general revenue appropriated for the administration and
18 enforcement of this Act in excess of the cumulative amount
19 deposited in the Texas Racing Commission fund shall be reimbursed
20 from the Texas Racing Commission fund not later than one year after
21 the date on which the general revenue funds are appropriated, with
22 [~~12 percent interest per year until August 31, 1993, and~~] 6-3/4
23 percent interest [~~thereafter~~] with all payments first attributable
24 to interest.

25 SECTION 6. Sections 5.03(a) and (c), Texas Racing Act
26 (Article 179e, Vernon's Texas Civil Statutes), are amended to read
27 as follows:

1 (a) An applicant for any license or license renewal under
2 this Act must, except as allowed under Section 7.10 of this Act,
3 submit to the commission a complete set of fingerprints of the
4 individual natural person applying for the license or license
5 renewal or, if the applicant is not an individual natural person, a
6 complete set of fingerprints of each officer or director and of each
7 person owning an interest of at least five percent in the applicant.
8 The Department of Public Safety may request any person owning any
9 interest in an applicant for a racetrack license to submit a
10 complete set of fingerprints.

11 (c) A peace officer of this or any other state, or any
12 district office of the commission, shall take the fingerprints of
13 an applicant for a license or license renewal on forms approved and
14 furnished by the Department of Public Safety and shall immediately
15 deliver them to the commission.

16 SECTION 7. Article 6, Texas Racing Act (Article 179e,
17 Vernon's Texas Civil Statutes), is amended by adding Section 6.032
18 to read as follows:

19 Sec. 6.032. BOND. (a) The commission at any time may
20 require a holder of a racetrack license or an applicant for a
21 racetrack license to post security in an amount reasonably
22 necessary, as provided by commission rule, to adequately ensure the
23 license holder's or applicant's compliance with substantive
24 requirements of this Act and commission rules.

25 (b) Cash, cashier's checks, surety bonds, irrevocable bank
26 letters of credit, United States Treasury bonds that are readily
27 convertible to cash, or irrevocable assignments of federally

1 insured deposits in banks, savings and loan institutions, and
2 credit unions are acceptable as security for purposes of this
3 section. The security must be:

4 (1) conditioned on compliance with this Act and
5 commission rules adopted under this Act; and

6 (2) returned after the conditions of the security are
7 met.

8 SECTION 8. The heading to Section 6.04, Texas Racing Act
9 (Article 179e, Vernon's Texas Civil Statutes), is amended to read
10 as follows:

11 Sec. 6.04. ISSUANCE OF LICENSE [~~+~~ BOND].

12 SECTION 9. Section 6.04, Texas Racing Act (Article 179e,
13 Vernon's Texas Civil Statutes), is amended by adding Subsections
14 (a-1) and (a-2) to read as follows:

15 (a-1) When all of the requirements of licensure for the
16 applicant described in this article have been satisfied, the
17 commission shall notify the applicant that the application is
18 complete.

19 (a-2) The commission shall make a determination with
20 respect to a pending application not later than the 120th day after
21 the date on which the commission provided to the applicant the
22 notice required under Subsection (a-1) of this section.

23 SECTION 10. Section 6.06(k), Texas Racing Act (Article
24 179e, Vernon's Texas Civil Statutes), is amended to read as
25 follows:

26 (k) The commission shall review the ownership and
27 management of an active [a] license issued under this article every

1 five years beginning on the fifth anniversary of the issuance of the
2 license. In performing the review, the commission may require the
3 license holder to provide any information that would be required to
4 be provided in connection with an original license application
5 under Article 5 of this Act or this article. The commission shall
6 charge fees for the review in amounts sufficient to implement this
7 subsection.

8 SECTION 11. Article 6, Texas Racing Act (Article 179e,
9 Vernon's Texas Civil Statutes), is amended by adding Sections
10 6.0601, 6.0602, and 6.0603 to read as follows:

11 Sec. 6.0601. DESIGNATION OF ACTIVE AND INACTIVE RACETRACK
12 LICENSES. (a) The commission shall designate each racetrack
13 license as an active license or an inactive license. The commission
14 may change the designation of a racetrack license as appropriate.

15 (b) The commission shall designate a racetrack license as an
16 active license if the license holder:

17 (1) holds live racing events at the racetrack; or

18 (2) makes good faith efforts to conduct live racing.

19 (c) The commission by rule shall provide guidance on what
20 actions constitute, for purposes of this Act, good faith efforts to
21 conduct live racing.

22 (d) Before the first anniversary of the date a new racetrack
23 license is issued, the commission shall conduct an evaluation of
24 the license to determine whether the license is an active or
25 inactive license.

26 (e) An active license is effective until the license is
27 designated as an inactive license or is surrendered, suspended, or

1 revoked under this Act.

2 Sec. 6.0602. RENEWAL OF INACTIVE RACETRACK LICENSE; FEES.

3 (a) The commission by rule shall establish an annual renewal
4 process for inactive licenses and may require the license holder to
5 provide any information required for an original license
6 application under this Act. An inactive license holder must
7 complete the annual renewal process established under this section
8 until the commission:

9 (1) designates the license as an active license; or

10 (2) refuses to renew the license.

11 (b) In determining whether to renew an inactive license, the
12 commission shall consider:

13 (1) the inactive license holder's:

14 (A) financial stability;

15 (B) ability to conduct live racing;

16 (C) ability to construct and maintain a racetrack
17 facility; and

18 (D) other good faith efforts to conduct live
19 racing; and

20 (2) other necessary factors considered in the issuance
21 of the original license.

22 (c) The commission may refuse to renew an inactive license
23 if, after notice and a hearing, the commission determines that:

24 (1) renewal of the license is not in the best interests
25 of the racing industry or the public; or

26 (2) the license holder has failed to make a good faith
27 effort to conduct live racing.

1 (d) The commission shall consult with members of the racing
2 industry and other key stakeholders in developing the license
3 renewal process under this section.

4 (e) The commission shall set and collect renewal fees in
5 amounts reasonable and necessary to cover the costs of
6 administering and enforcing this section.

7 (f) The commission by rule shall establish criteria to make
8 the determinations under Subsections (c)(1) and (2).

9 Sec. 6.0603. DISCIPLINARY ACTION. (a) The commission by
10 rule shall establish procedures for disciplinary action against a
11 racetrack license holder.

12 (b) If, after notice and hearing, the commission finds that
13 a racetrack license holder or a person employed by the racetrack has
14 violated this Act or a commission rule or if the commission finds
15 during a review or renewal that the racetrack is ineligible for a
16 license under this article, the commission may:

17 (1) revoke, suspend, or refuse to renew the racetrack
18 license;

19 (2) impose an administrative penalty as provided under
20 Section 15.03 of this Act; or

21 (3) take any other action as provided by commission
22 rule.

23 (c) The commission may not revoke an active license unless
24 the commission reasonably determines that other disciplinary
25 actions are inadequate to remedy the violation.

26 SECTION 12. Section 6.08(h), Texas Racing Act (Article
27 179e, Vernon's Texas Civil Statutes), is amended to read as

1 follows:

2 (h) Two percent of the breakage shall be allocated to the
3 equine research account under Subchapter F, Chapter 88 [~~51~~],
4 Education Code. The remaining 98 percent of the breakage shall
5 constitute "total breakage" and shall be allocated pursuant to
6 Subsections (i) and (j) of this section.

7 SECTION 13. The heading to Section 6.18, Texas Racing Act
8 (Article 179e, Vernon's Texas Civil Statutes), is amended to read
9 as follows:

10 Sec. 6.18. ANNUAL FEE FOR RACETRACK [~~TERM OF~~] LICENSE[+
11 ~~RESTRICTIONS ON RACETRACKS~~].

12 SECTION 14. Section 6.18(b), Texas Racing Act (Article
13 179e, Vernon's Texas Civil Statutes), is amended to read as
14 follows:

15 (b) The commission may prescribe a reasonable annual fee to
16 be paid by each racetrack licensee. The fee must be in an amount
17 sufficient to provide that the total amount of fees imposed under
18 this section, together with the license fees prescribed under
19 Section 5.01(b) of this Act and the renewal fees prescribed under
20 Section 6.0602(e) of this Act, is sufficient to pay the costs of
21 administering and enforcing this Act.

22 SECTION 15. Section 7.01, Texas Racing Act (Article 179e,
23 Vernon's Texas Civil Statutes), is amended to read as follows:

24 Sec. 7.01. LICENSE REQUIRED. (a) Except as provided by
25 this section, a [A] person may not participate in racing with
26 pari-mutuel wagering other than as a spectator or as a person
27 placing a wager without first obtaining a license from the

1 commission. A person may not engage in any occupation for which
2 commission rules require a license under this Act without first
3 obtaining a license from the commission.

4 (b) The commission by rule shall categorize the occupations
5 of racetrack employees and determine the occupations that afford
6 the employee an opportunity to influence racing with pari-mutuel
7 wagering. The rules must require the following employees to be
8 licensed under this Act:

9 (1) an employee who works in an occupation determined
10 by the commission to afford the employee an opportunity to
11 influence racing with pari-mutuel wagering; or

12 (2) an employee who will likely have significant
13 access to the backside of a racetrack or to restricted areas of the
14 frontside of a racetrack.

15 (c) A racetrack licensed under this Act is responsible for
16 ensuring that its employees comply with this Act and commission
17 rules. The commission may impose disciplinary action against a
18 licensed racetrack for violations of this Act and commission rules
19 by its employees as provided by Section 6.0603 of this Act.

20 SECTION 16. Section 7.07, Texas Racing Act (Article 179e,
21 Vernon's Texas Civil Statutes), is amended by amending Subsection
22 (a) and adding Subsection (a-1) to read as follows:

23 (a) A license issued under this article is valid for a
24 period set by the commission not to exceed 36 months following the
25 date of its issuance. It is renewable on application, satisfactory
26 results of a criminal history information record check, and payment
27 of the fee in accordance with the rules of the commission.

1 (a-1) The commission shall obtain criminal history record
2 information on each applicant renewing an occupational license
3 under this article. The commission shall ensure that criminal
4 history record information is obtained on each license holder at
5 least once every 36 months.

6 SECTION 17. Section 11.01, Texas Racing Act (Article 179e,
7 Vernon's Texas Civil Statutes), is amended by amending Subsection
8 (a) and adding Subsection (a-1) to read as follows:

9 (a) The commission shall adopt rules to regulate wagering on
10 greyhound races and horse races under the system known as
11 pari-mutuel wagering. Wagering may be conducted only by an
12 association within its enclosure. A person may not accept, in
13 person, by telephone, or over the Internet, a wager for a horse race
14 or greyhound race conducted inside or outside this state from a
15 person in this state unless the wager is authorized under this Act.

16 (a-1) The commission may commission as many investigators
17 as the commission determines necessary to enforce this Act and the
18 rules of the commission. Each investigator shall take the
19 constitutional oath of office and file it with the commission. Each
20 commissioned investigator has the powers of a peace officer.

21 SECTION 18. Sections 11.04(a) and (c), Texas Racing Act
22 (Article 179e, Vernon's Texas Civil Statutes), are amended to read
23 as follows:

24 (a) Only a person inside the enclosure where both live and
25 simulcast race meetings are authorized may wager on the result of a
26 live or simulcast race presented by the association in accordance
27 with commission rules. Except as provided by this section, a person

1 may not place, in person, by telephone, or over the Internet, a
2 wager for a horse race or greyhound race conducted inside or outside
3 this state. The commission shall adopt rules to prohibit wagering
4 by employees of the commission and to regulate wagering by persons
5 licensed under this Act.

6 (c) The commission shall adopt rules prohibiting an
7 association from accepting a wager made on credit and shall adopt
8 rules providing for the use of automatic banking machines within
9 the enclosure. The commission shall limit the use of an automatic
10 banking machine to [+

11 [~~1~~] allow a person to have access to only the
12 person's checking account at a bank or other financial
13 institution[~~and~~

14 [~~2~~ ~~deliver no more than \$200~~].

15 SECTION 19. Section 11.05, Texas Racing Act (Article 179e,
16 Vernon's Texas Civil Statutes), is amended to read as follows:

17 Sec. 11.05. UNLAWFUL WAGERING. A person shall not wager on
18 the result of a greyhound race or horse race in this state except as
19 permitted by this Act. A person who is not an association under
20 this Act may not accept from a Texas resident while the resident is
21 in this state a wager on the result of a greyhound race or horse race
22 conducted inside or outside this state.

23 SECTION 20. Section 18.01(a), Texas Racing Act (Article
24 179e, Vernon's Texas Civil Statutes), is amended to read as
25 follows:

26 (a) The Texas Racing Commission is subject to Chapter 325,
27 Government Code (Texas Sunset Act). Unless continued in existence

1 as provided by that chapter, and except as provided by Subsections
2 (b) and (c) of this section, the commission is abolished and this
3 Act expires September 1, 2017 [~~2011~~].

4 SECTION 21. Section 88.521(2), Education Code, is amended
5 to read as follows:

6 (2) "Director" means the executive director of Texas
7 AgriLife Research, formerly known as the Texas Agricultural
8 Experiment Station.

9 SECTION 22. Sections 88.522(b), (c), (f), and (g),
10 Education Code, are amended to read as follows:

11 (b) The director shall administer the account through
12 established procedures of Texas AgriLife Research, formerly known
13 as the Texas Agricultural Experiment Station.

14 (c) The comptroller shall periodically transfer the amounts
15 specified by Sections [~~Section~~] 6.08(f) and (h), Texas Racing Act
16 (Article 179e, Vernon's Texas Civil Statutes), to the account.

17 (f) Not more than 10 percent of the account may be spent each
18 year on the cost incurred in the operation or administration of the
19 [~~advisory committee or~~] account.

20 (g) All money received by [~~the advisory committee or~~] the
21 account under this chapter is subject to Subchapter F, Chapter 404,
22 Government Code.

23 SECTION 23. Section 88.525, Education Code, is amended by
24 adding Subsections (a-1) and (b-1) and amending Subsection (b) to
25 read as follows:

26 (a-1) In awarding grants under this section, the director
27 shall comply with the conflict of interest provisions of The Texas

1 A&M University System.

2 (b) The [~~With the advice of the advisory committee, the~~]
3 director shall develop annually a request for proposals for equine
4 research grants. Each proposal received may [~~must~~] be evaluated by
5 a peer review committee appointed by the director and subject
6 matter experts as necessary to evaluate the proposal. The peer
7 review committee shall consider the applicant's research capacity
8 and the relevance and scientific merit of the proposal and make
9 recommendations to the director.

10 (b-1) The director may award a grant to an applicant who
11 proposes to commingle grant money awarded under this section with
12 other sources of funding or proposes to conduct research that
13 includes equine research.

14 SECTION 24. Section 88.526(a), Education Code, is amended
15 to read as follows:

16 (a) The director shall prepare an annual report on equine
17 research funded under this subchapter. The director shall
18 distribute the report to the Texas Racing Commission and [~~the~~]
19 members of the Texas horse racing industry [~~advisory committee~~].
20 The director shall make copies of the report available to
21 interested parties.

22 SECTION 25. Section 88.527, Education Code, is amended to
23 read as follows:

24 Sec. 88.527. CONFERENCE. Texas AgriLife Research [~~The~~
25 ~~Texas Agricultural Extension Service~~] shall conduct an annual
26 conference on equine research. Money from the equine research
27 account shall be used to defray the costs of the conference. The

1 conference must be designed to bring to the attention of the Texas
2 horse racing industry the latest research results and technological
3 developments in equine research. The director shall make the
4 report created under Section 88.526 available at the conference.

5 SECTION 26. The following sections of the Texas Racing Act
6 (Article 179e, Vernon's Texas Civil Statutes) are repealed:

- 7 (1) Section 2.072;
- 8 (2) Section 6.04(b);
- 9 (3) Section 6.18(a); and
- 10 (4) Section 7.02(a).

11 SECTION 27. The following sections of the Education Code
12 are repealed:

- 13 (1) Section 88.521(1);
- 14 (2) Section 88.523;
- 15 (3) Section 88.5231;
- 16 (4) Section 88.5232;
- 17 (5) Section 88.524;
- 18 (6) Section 88.5245; and
- 19 (7) Section 88.525(c).

20 SECTION 28. (a) Not later than September 1, 2012, the Texas
21 Racing Commission shall designate each racetrack license as active
22 or inactive as required by Section 6.0601, Texas Racing Act
23 (Article 179e, Vernon's Texas Civil Statutes), as added by this
24 Act.

25 (b) The Texas Racing Commission by rule shall establish a
26 staggered schedule and the procedure for the review of licenses
27 required under Section 6.06(k), Texas Racing Act (Article 179e,

1 Vernon's Texas Civil Statutes), as amended by this Act.

2 (c) The Texas Racing Commission may adjust license renewal
3 and review fees pursuant to the commission's authority to adjust
4 fees under Section 5.01, Texas Racing Act (Article 179e, Vernon's
5 Texas Civil Statutes), and Section 6.0602, Texas Racing Act
6 (Article 179e, Vernon's Texas Civil Statutes), as added by this
7 Act, to recover any money lost by the change in law made by this Act
8 to Section 3.07(e), Texas Racing Act (Article 179e, Vernon's Texas
9 Civil Statutes).

10 (d) As soon as practicable, the executive director of Texas
11 AgriLife Research shall submit a report to the Texas Racing
12 Commission as required by Section 88.526, Education Code, as
13 amended by this Act.

14 SECTION 29. This Act takes effect September 1, 2011.

President of the Senate

Speaker of the House

I certify that H.B. No. 2271 was passed by the House on April 11, 2011, by the following vote: Yeas 132, Nays 14, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2271 on May 16, 2011, by the following vote: Yeas 120, Nays 20, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2271 was passed by the Senate, with amendments, on May 5, 2011, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

PROPOSED RULE REVIEWS CHAPTERS 301, 303, & 319

Texas Government Code § 2001.039 requires state agencies to review all current rules to determine whether the reasons for initially adopting the rules continue to exist. The review must be conducted not later than the fourth anniversary of the date on which the rule takes effect and every four years after that date. The state agency must readopt, readopt with amendments, or repeal a rule as the result of reviewing the rule.

Rule reviews of Chapter 301, Definitions, Chapter 303, General Provisions, and Chapter 319, Veterinary Practices and Drug Testing, were last completed on June 26, 2007.

Staff recommends that the Commission authorize staff to publish notice of rule reviews for Chapters 301, 303, and 319 in the Texas Register for public comment.

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