



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

Texas Racing Commission  
Tuesday, November 15, 2011  
10:30 a.m.  
John H. Reagan Building  
105 W. 15th Street, Room 140  
Austin, Texas

## **AGENDA**

- I. CALL TO ORDER**  
Roll Call
- II. CEREMONIAL ITEMS**
  - A. Welcome Commissioner Steen
  - B. Recognition of Former Chairman Pablos
- III. PUBLIC COMMENT**
- IV. GENERAL BUSINESS**  
Discussion and consideration of the following matters:  
Reports by the Executive Director and Staff regarding Administrative Matters
  - A. Budget and Finance Update
  - B. Report on Racetrack Inspections
  - C. Report on Wagering Statistics
  - D. Enforcement Report
  - E. Report by the Ad Hoc Committee on Rules to Implement HB 2271
  - F. Report by the Committee on Rules

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

- G. Election of the Vice Chair
- H. Approval of the Commission's Operating Budget for Fiscal Year 2012
- I. Approval of Memorandum of Understanding with the Texas Veterinary Medical Diagnostic Laboratory for Fiscal Year 2012

**V. PROCEEDINGS ON RACETRACKS**

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

- A. Request by Gulf Greyhound Park to Amend its 2011 Live Racing Schedule
- B. Allocation by the Texas Greyhound Association of Interstate Cross-Species Purse Money

**VI. PROCEEDINGS ON RULEMAKING**

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

Rule Proposals

- A. Proposal to Amend Rule 311.5, License Categories and Fees
- B. Proposal to Amend Rule 311.104, Trainers
- C. Proposal to Amend Rule 313.50, Horse Identifier
- D. Proposal to Amend Rule 313.308, Restrictions on Subsequent Use
- E. Proposal to Amend Rule 321.21, Certain Wagers Prohibited

Rule Adoptions

- F. Adoption of Amendment to Rule 301.1, Definitions
- G. Adoption of Amendment to Rule 309.8, Racetrack License Fees
- H. Adoption of Amendment to Rule 309.129, Automatic Banking Machines
- I. Adoption of Amendment to Rule 311.3, Information for Background Investigation
- J. Adoption of Amendment to Rule 319.335, Auditing and Approval of Testing Costs
- K. Adoption of Amendment to Rule 319.336, Payment of Testing Costs
- L. Adoption of Amendment to Rule 321.36, Remittance of Unclaimed Outs and Vouchers
- M. Adoption of Amendment to Rule 319.3, Medication Restricted

N. Adoption of Amendment to Rule 321.407, Approval of Wagering on Simulcast Import Races

**VII. 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.

**VIII. OLD/NEW BUSINESS**

Schedule next Commission Meeting

**IX. ADJOURN**



**Fiscal Year 2011  
Operational Budget**

Updated: November 2, 2011

Thru: August 31, 2011

**Summary of Operating Revenue**

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
<b>Account 597 - Racing Commission - GRD</b>	\$ 11,196,113	\$ 10,421,698	\$ 214,548	\$ 774,415	7%
<b>Account 1 - State of Texas - GR</b>	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL - ALL REVENUES</b>	\$ 11,196,113	\$ 10,421,698	\$ 214,548	\$ 774,415	7%

**Summary of Appropriated Operating Expenses**

	Budget	Expended	Encumbered	Unexpended Balance	%
<b>1001 - Salaries and Wages:</b>	\$ 3,013,096	\$ 2,843,605	\$ -	\$ 169,491	6%
<b>1002 - Other Personnel Cost:</b>	\$ 175,400	\$ 172,165	\$ -	\$ 3,235	2%
<b>2001 - Professional Fees and Services:</b>	\$ 175,000	\$ 101,175	\$ -	\$ 73,825	42%
<b>2003 - Consumable Supplies:</b>	\$ 35,801	\$ 32,018	\$ -	\$ 3,783	11%
<b>2004 - Utilities:</b>	\$ 26,500	\$ 22,782	\$ -	\$ 3,718	14%
<b>2005 - Travel:</b>	\$ 169,615	\$ 149,167	\$ -	\$ 20,448	12%
<b>2006 - Rent Building:</b>	\$ 108,014	\$ 107,294	\$ -	\$ 720	1%
<b>2007 - Rent Machine and Other:</b>	\$ 12,500	\$ 9,656	\$ -	\$ 2,844	23%
<b>2009 - Other Operating Expense:</b>	\$ 330,925	\$ 347,393	\$ -	\$ (16,468)	-5%
<b>4000 - Grants</b>	\$ 3,407,389	\$ 3,384,865	\$ -	\$ 22,524	1%
<b>5000 - Capital Expenditures:</b>	\$ 33,800	\$ 20,616	\$ -	\$ 13,184	39%
<b>TOTAL - ALL APPROPRIATED EXPENDITURES</b>	\$ 7,488,040	\$ 7,190,736	\$ -	\$ 297,304	4%

**Unappropriated Operating Expenses**

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
<b>TOTAL - ALL UNAPPROPRIATED EXPENDITURES</b>	\$ 891,194	\$ 877,989	\$ -	\$ 13,204	1%
<b>TOTAL - ALL EXPENDITURES</b>	\$ 8,379,233	\$ 8,068,725	\$ -	\$ 310,508	4%

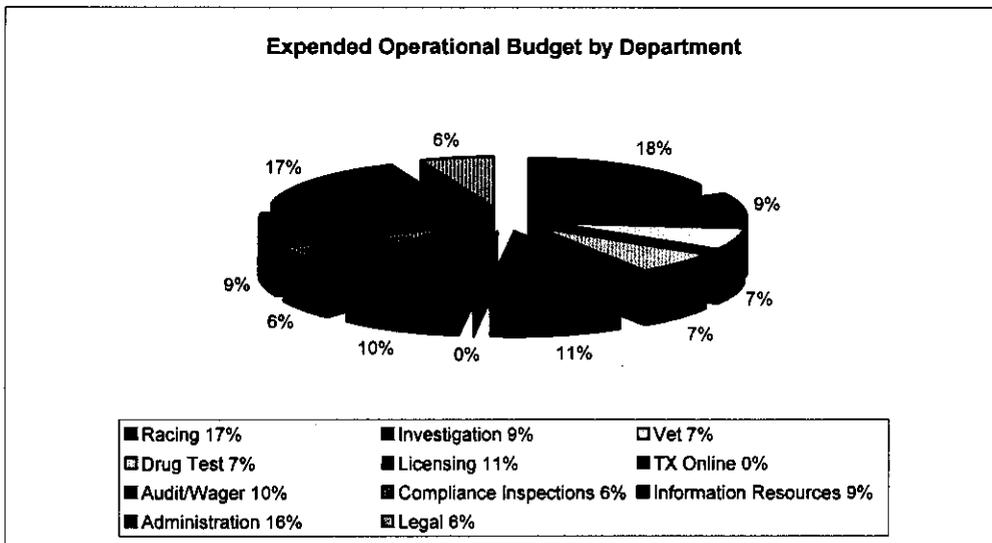
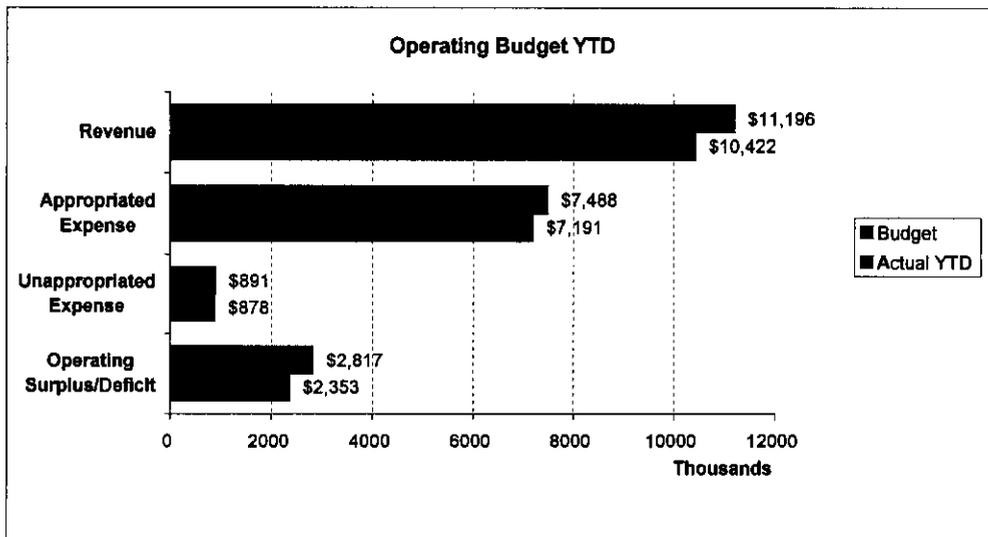
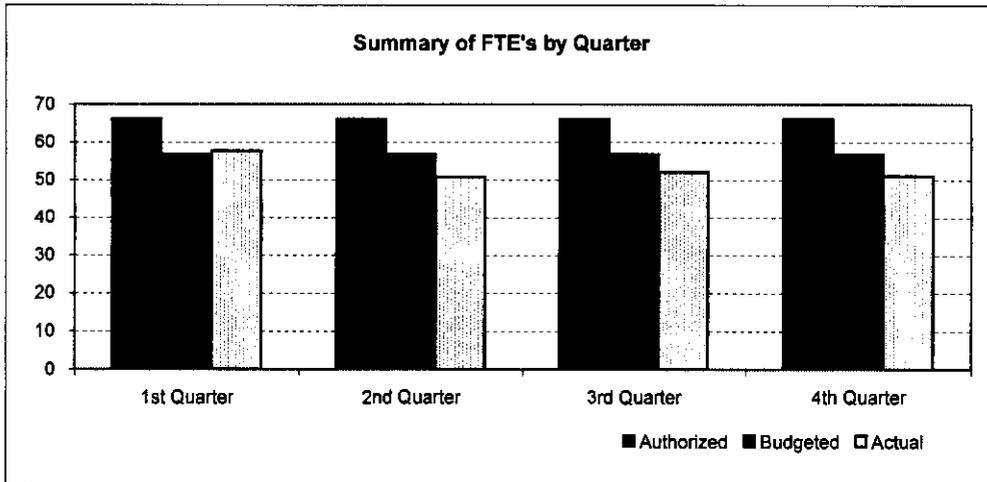
**OPERATING SURPLUS / (DEFICIT)**

\$ 2,816,879 \$ 2,352,972

**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	50.71	52.00	51.07
<b>Actual FTE's Over / (Under) Budget</b>	0.82	(6.19)	(4.90)	(5.83)
<b>Actual FTE's Over / (Under) Authorization</b>	(8.48)	(15.49)	(14.20)	(15.13)

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

Updated: November 2, 2011

Thru: August 31, 2011

**Summary of Operating Revenue**

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
Cash Balance Carry Forward	\$ 2,949,594	\$ 2,949,594			0%
Live Race Day Fees	\$ 587,170	\$ 533,145		\$ 54,025	9%
Simulcast Race Day Fees	\$ 892,460	\$ 698,860		\$ 193,600	22%
Annual License Fees (Active & Inactive)	\$ 1,265,000	\$ 1,265,000	\$ 214,548	\$ -	0%
Outs	\$ 1,305,725	\$ 664,521		\$ 641,205	49%
Occupational License Fees and Fines	\$ 751,575	\$ 838,070		\$ (86,495)	-12%
ATB Program Pass Thru Fees	\$ 3,407,389	\$ 3,384,865		\$ 22,524	1%
Other Revenue	\$ 37,200	\$ 87,643		\$ (50,443)	-136%
<b>Account 597 - Racing Commission - GRD</b>	<b>\$ 11,196,113</b>	<b>\$ 10,421,698</b>	<b>\$ 214,548</b>	<b>\$ 774,415</b>	<b>7%</b>
State of Texas General Revenue Fund	\$ -	\$ -		\$ -	
<b>Account 1 - State of Texas - GR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>TOTAL - ALL REVENUES</b>	<b>\$ 11,196,113</b>	<b>\$ 10,421,698</b>	<b>\$ 214,548</b>	<b>\$ 774,415</b>	<b>7%</b>

**Summary of Appropriated Operating Expenses**

By Division:	Budget	Expended	Encumbered	Unexpended Balance	%
Racing Oversight	\$ 1,743,392	\$ 1,566,498		\$ 176,893	10%
Wagering & Racing Review	\$ 742,462	\$ 738,757		\$ 3,705	0%
Finance & Administration	\$ 527,242	\$ 538,350		\$ (11,108)	-2%
<b>2001 - Salaries and Wages:</b>	<b>\$ 3,013,096</b>	<b>\$ 2,843,605</b>	<b>\$ -</b>	<b>\$ 169,491</b>	<b>6%</b>
Racing Oversight	\$ 89,520	\$ 81,622		\$ 7,899	9%
Wagering & Racing Review	\$ 43,460	\$ 52,564		\$ (9,104)	-21%
Administration	\$ 42,420	\$ 37,979		\$ 4,441	10%
<b>2002 - Other Personnel Cost:</b>	<b>\$ 175,400</b>	<b>\$ 172,165</b>	<b>\$ -</b>	<b>\$ 3,235</b>	<b>2%</b>
Racing Oversight	\$ 34,000	\$ 51,145		\$ (17,145)	-50%
Wagering & Racing Review	\$ 116,000	\$ 36,003		\$ 79,996	69%
Finance & Administration	\$ 25,000	\$ 14,026		\$ 10,974	44%
<b>2001 - Professional Fees and Services:</b>	<b>\$ 175,000</b>	<b>\$ 101,175</b>	<b>\$ -</b>	<b>\$ 73,825</b>	<b>42%</b>
Racing Oversight	\$ 7,500	\$ 8,104		\$ (604)	-8%
Wagering & Racing Review	\$ 9,500	\$ 11,710		\$ (2,210)	-23%
Finance & Administration	\$ 18,801	\$ 12,204		\$ 6,597	35%
<b>2003 - Consumable Supplies:</b>	<b>\$ 35,801</b>	<b>\$ 32,018</b>	<b>\$ -</b>	<b>\$ 3,783</b>	<b>11%</b>
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ -	\$ 380		\$ (380)	
Administration	\$ 26,500	\$ 22,402		\$ 4,098	15%
<b>2004 - Utilities:</b>	<b>\$ 26,500</b>	<b>\$ 22,782</b>	<b>\$ -</b>	<b>\$ 3,718</b>	<b>14%</b>
Racing Oversight	\$ 98,250	\$ 92,731		\$ 5,519	6%
Wagering & Racing Review	\$ 41,365	\$ 40,372		\$ 993	2%
Finance & Administration	\$ 30,000	\$ 16,064		\$ 13,936	46%
<b>2005 - Travel:</b>	<b>\$ 169,615</b>	<b>\$ 149,167</b>	<b>\$ -</b>	<b>\$ 20,448</b>	<b>12%</b>
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 2,700	\$ 2,700		\$ -	0%
Finance & Administration	\$ 105,314	\$ 104,594		\$ 720	1%
<b>2006 - Rent Building:</b>	<b>\$ 108,014</b>	<b>\$ 107,294</b>	<b>\$ -</b>	<b>\$ 720</b>	<b>1%</b>

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

Updated: November 2, 2011

Thru: August 31, 2011

**Summary of Operating Revenue**

	Budget	Expended	Encumbered	Uncollected Unexpended Balance	%
Racing Oversight	\$ 10,000	\$ 7,964		\$ 2,036	20%
Wagering & Racing Review	\$ -	\$ -		\$ -	
Finance & Administration	\$ 2,500	\$ 1,692		\$ 808	32%
<b>2007 - Rent Machine and Other:</b>	<b>\$ 12,500</b>	<b>\$ 9,656</b>	<b>\$ -</b>	<b>\$ 2,844</b>	<b>23%</b>
Racing Oversight	\$ 101,200	\$ 114,335		\$ (13,135)	-13%
Wagering & Racing Review	\$ 95,910	\$ 117,582		\$ (21,672)	-23%
Finance & Administration	\$ 133,815	\$ 115,476		\$ 18,339	14%
<b>2009 - Other Operating Expense:</b>	<b>\$ 330,925</b>	<b>\$ 347,393</b>	<b>\$ -</b>	<b>\$ (16,468)</b>	<b>-5%</b>
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 3,407,389	\$ 3,384,865		\$ 22,524	1%
Administration	\$ -	\$ -		\$ -	
<b>4000 - Grants</b>	<b>\$ 3,407,389</b>	<b>\$ 3,384,865</b>	<b>\$ -</b>	<b>\$ 22,524</b>	<b>1%</b>
Racing Oversight	\$ 33,800	\$ 20,616		\$ 13,184	39%
Wagering & Racing Review	\$ -	\$ -		\$ -	
Finance & Administration	\$ -	\$ -		\$ -	
<b>5000 - Capital Expenditures:</b>	<b>\$ 33,800</b>	<b>\$ 20,616</b>	<b>\$ -</b>	<b>\$ 13,184</b>	<b>39%</b>
<b>TOTAL - ALL APPROPRIATED EXPENDITURES</b>	<b>\$ 7,488,040</b>	<b>\$ 7,190,736</b>	<b>\$ -</b>	<b>\$ 297,304</b>	<b>4%</b>

**Summary of Unappropriated Operating Expenses**

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
OASI Match	\$ 231,165	\$ 223,776		\$ 7,388	3%
Group Insurance	\$ 258,825	\$ 293,791		\$ (34,966)	-14%
State Retirement	\$ 194,566	\$ 183,816		\$ 10,750	6%
Benefit Replacement	\$ 31,638	\$ 21,149		\$ 10,488	33%
ERS Retiree Insurance	\$ 100,000	\$ 118,415		\$ (18,415)	-18%
SWCAP GR Reimbursement	\$ 55,000	\$ 26,494		\$ 28,506	52%
Unemployment Cost	\$ 20,000	\$ 10,547		\$ 9,453	47%
Other	\$ -	\$ -		\$ -	
<b>Unappropriated Operating Expenses</b>	<b>\$ 891,194</b>	<b>\$ 877,989</b>	<b>\$ -</b>	<b>\$ 13,204</b>	<b>1%</b>
<b>TOTAL - ALL UNAPPROPRIATED EXPENDITURES</b>	<b>\$ 891,194</b>	<b>\$ 877,989</b>	<b>\$ -</b>	<b>\$ 13,204</b>	<b>1%</b>
<b>TOTAL - ALL EXPENDITURES</b>	<b>\$ 8,379,233</b>	<b>\$ 8,068,725</b>	<b>\$ -</b>	<b>\$ 310,508</b>	<b>4%</b>

**OPERATING SURPLUS / (DEFICIT) \$ 2,816,879 \$ 2,352,972**

**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
<b>Budgeted FTE's Over / (Under) Authorization</b>	<b>(9.30)</b>	<b>(9.30)</b>	<b>(9.30)</b>	<b>(9.30)</b>
Budgeted FTE's	56.90	56.90	56.90	56.90
Actual FTE's	57.72	50.71	52.00	51.07
<b>Actual FTE's Over / (Under) Budget</b>	<b>0.82</b>	<b>(6.19)</b>	<b>(4.90)</b>	<b>(5.83)</b>
<b>Actual FTE's Over / (Under) Authorization</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Track	Type of Inspection	Date of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
Gulf Greyhound Park	Judges	10/21/2011	4	0	4 <sup>a</sup>
	Veterinary	10/19/2011	0	0	0
Retama Park	Safety & Security	11/05/2011	0	0	0
Lone Star Park	Pari-Mutuel Operations	9/12/2011	0	0	0
	Stewards	9/13/2011	0	0	0
	Veterinary	9/04/2011	0	0	0

<sup>a</sup> All four deficiencies pertain to maintenance of facilities or equipment. The racetrack has been given until November 8, 2011 to submit a plan for remediation. A follow-up inspection will be conducted after the plan has been received and reviewed.



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

For the Period: 01/01/10 - 11/06/10 to 01/01/11 -11/06/11

Sources of Wagers	Year 2010 01/01 - 11/06				Year 2011 01/01 -11/06				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
<b>Greyhound Racetracks</b>										
Live	240	\$ 9,410,866	\$ 39,212	222	\$ 9,059,854	\$ 40,810	-3.73%	4.08%		
Simulcast Same-Species	799	\$ 23,487,492	\$ 29,396	797	\$ 23,348,252	\$ 29,295	-0.59%	-0.34%		
Simulcast Cross-Species	799	\$ 22,961,319	\$ 28,738	798	\$ 20,300,645	\$ 25,439	-11.59%	-11.48%		
Export	240	\$ 12,967,916	\$ 54,033	222	\$ 11,947,659	\$ 53,818	-7.87%	-0.40%		
<b>Total Wagers</b>		\$ 68,827,593	N/A		\$ 64,656,411	N/A	-6.06%	N/A		

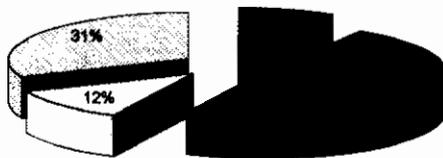
<b>Sources of Wagers Horse Racetracks</b>										
Live	215	\$ 30,861,444	\$ 143,542	187	\$ 28,205,531	\$ 156,179	-5.37%	8.80%		
Simulcast Same-Species	1,258	\$ 198,909,402	\$ 158,116	1,110	\$ 172,154,180	\$ 155,094	-13.45%	-1.91%		
Simulcast Cross-Species	1,255	\$ 29,652,670	\$ 23,628	1,109	\$ 27,202,157	\$ 24,529	-8.26%	3.81%		
Export	190	\$ 130,723,126	\$ 688,016	179	\$ 96,375,376	\$ 538,410	-26.28%	-21.74%		
<b>Total Wagers</b>		\$ 390,146,642	N/A		\$ 324,937,244	N/A	-16.71%	N/A		

<b>Sources of Wagers All Texas Racetracks</b>										
Live	455	\$ 40,272,310	\$ 88,511	409	\$ 38,265,386	\$ 93,558	-4.98%	5.70%		
Simulcast Same-Species	2,057	\$ 222,396,895	\$ 108,117	1,907	\$ 195,502,433	\$ 102,518	-12.09%	-5.18%		
Simulcast Cross-Species	2,054	\$ 52,613,990	\$ 25,615	1,907	\$ 47,502,801	\$ 24,910	-9.71%	-2.75%		
Export	430	\$ 143,691,041	\$ 334,165	401	\$ 108,323,036	\$ 270,132	-24.61%	-19.16%		
<b>Total Wagers</b>		\$ 458,974,235	N/A		\$ 389,593,655	N/A	-15.12%	N/A		

<b>Total Wagers Placed in Texas</b>	\$ 315,283,194	N/A	\$ 281,270,620	N/A	-10.79%	N/A
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<b>Total Wagers Placed on Texas Races</b>	\$ 183,963,351	N/A	\$ 146,588,421	N/A	-20.32%	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

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

**in Texas & on Texas Races**

For the Period: 01/01/10 - 11/06/10 to 01/01/11 -11/06/11

Sources of Wagers	Year 2010 01/01 - 11/06			Year 2011 01/01 -11/06			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
<b>Gulf Coast Racing</b>								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	223	\$ 5,957,500	\$ 26,715	223	\$ 6,561,871	\$ 29,425	10.14%	10.14%
Simulcast Cross-Species	223	\$ 3,322,178	\$ 14,898	223	\$ 3,392,190	\$ 15,212	2.11%	2.11%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
<b>Total Wagers</b>		<b>\$ 9,279,678</b>	<b>N/A</b>		<b>\$ 9,954,061</b>	<b>N/A</b>	<b>7.27%</b>	<b>N/A</b>

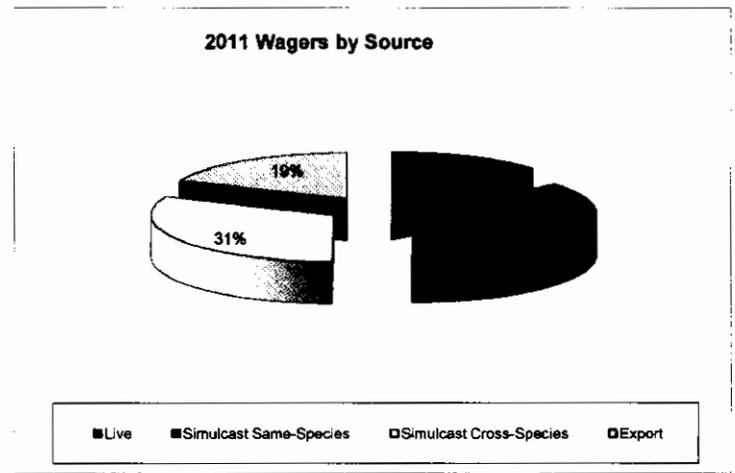
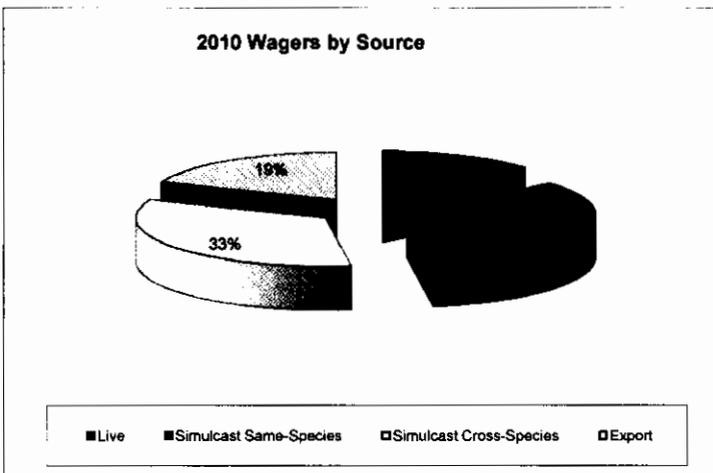
<b>Sources of Wagers</b>								
<b>Gulf Greyhound Park</b>								
Live	240	\$ 9,410,866	\$ 39,212	222	\$ 9,059,854	\$ 40,810	-3.73%	4.08%
Simulcast Same-Species	310	\$ 11,741,088	\$ 37,874	308	\$ 10,862,429	\$ 35,268	-7.48%	-6.88%
Simulcast Cross-Species	310	\$ 13,652,798	\$ 44,041	309	\$ 10,959,995	\$ 35,469	-19.72%	-19.46%
Export	240	\$ 12,967,916	\$ 54,033	222	\$ 11,947,659	\$ 53,818	-7.87%	-0.40%
<b>Total Wagers</b>		<b>\$ 47,772,668</b>	<b>N/A</b>		<b>\$ 42,829,937</b>	<b>N/A</b>	<b>-10.35%</b>	<b>N/A</b>

<b>Sources of Wagers</b>								
<b>Valley Race Park</b>								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	266	\$ 5,788,904	\$ 21,763	266	\$ 5,923,953	\$ 22,270	2.33%	2.33%
Simulcast Cross-Species	266	\$ 5,986,343	\$ 22,505	266	\$ 5,948,461	\$ 22,363	-0.63%	-0.63%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
<b>Total Wagers</b>		<b>\$ 11,775,248</b>	<b>N/A</b>		<b>\$ 11,872,413</b>	<b>N/A</b>	<b>0.83%</b>	<b>N/A</b>

<b>Sources of Wagers</b>								
<b>All Greyhound Racetracks</b>								
Live	240	\$ 9,410,866	\$ 39,212	222	\$ 9,059,854	\$ 40,810	-3.73%	4.08%
Simulcast Same-Species	799	\$ 23,487,492	\$ 29,396	797	\$ 23,348,252	\$ 29,295	-0.59%	-0.34%
Simulcast Cross-Species	799	\$ 22,961,319	\$ 28,738	798	\$ 20,300,645	\$ 25,439	-11.59%	-11.48%
Export	240	\$ 12,967,916	\$ 54,033	222	\$ 11,947,659	\$ 53,818	-7.87%	-0.40%
<b>Total Wagers</b>		<b>\$ 68,827,593</b>	<b>N/A</b>		<b>\$ 64,656,411</b>	<b>N/A</b>	<b>-6.06%</b>	<b>N/A</b>

<b>Total Wagers Placed in Texas</b>	<b>\$ 55,859,677</b>	<b>N/A</b>	<b>\$ 52,708,751</b>	<b>N/A</b>	<b>-5.64%</b>	<b>N/A</b>
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<b>Total Wagers Placed on Texas Races</b>	<b>\$ 22,378,782</b>	<b>N/A</b>	<b>\$ 21,007,514</b>	<b>N/A</b>	<b>-6.13%</b>	<b>N/A</b>
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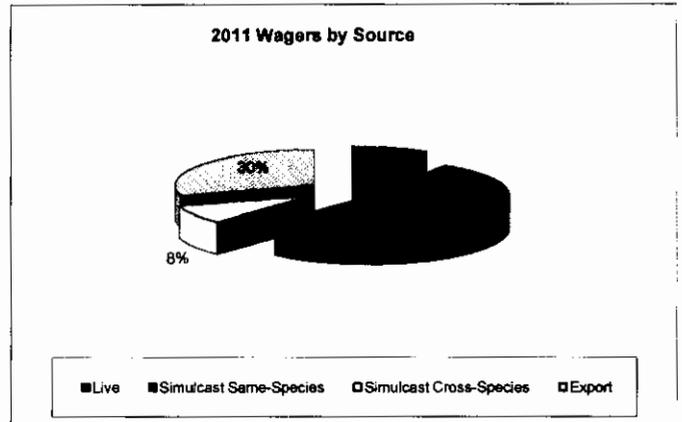
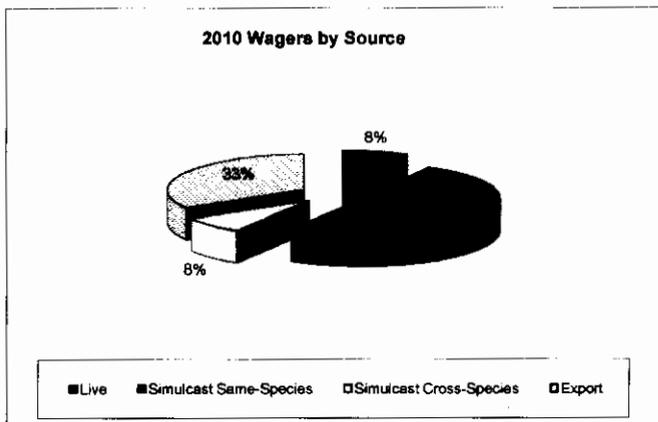
IV-7



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

For the Period: 01/01/10 - 11/06/10 to 01/01/11 -11/06/11

Sources of Wagers	Year 2010 01/01 - 11/06				Year 2011 01/01 -11/06				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager		
<b>Gillespie County Fair</b>										
Live	8	\$ 1,212,932	\$ 151,617	8	\$ 1,246,006	\$ 155,751	2.73%	2.73%		
Simulcast Same-Species	179	\$ 3,212,614	\$ 17,948	180	\$ 3,383,283	\$ 18,796	5.31%	4.73%		
Simulcast Cross-Species	179	\$ 340,207	\$ 1,901	180	\$ 350,720	\$ 1,948	3.09%	2.52%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A		
<b>Total Wagers</b>		<b>\$ 4,765,753</b>	<b>N/A</b>		<b>\$ 4,980,009</b>	<b>N/A</b>	<b>4.50%</b>	<b>N/A</b>		
<b>Lone Star Park</b>										
Live	83	\$ 19,504,153	\$ 234,990	75	\$ 17,706,746	\$ 236,090	-9.22%	0.47%		
Simulcast Same-Species	310	\$ 94,594,489	\$ 305,144	310	\$ 79,478,827	\$ 256,383	-15.98%	-15.98%		
Simulcast Cross-Species	307	\$ 4,990,642	\$ 16,256	309	\$ 4,192,932	\$ 13,569	-15.98%	-16.53%		
Export	80	\$ 55,884,538	\$ 698,557	75	\$ 44,680,145	\$ 595,735	-20.05%	-14.72%		
<b>Total Wagers</b>		<b>\$ 174,973,821</b>	<b>N/A</b>		<b>\$ 146,058,649</b>	<b>N/A</b>	<b>-16.53%</b>	<b>N/A</b>		
<b>Manor Downs</b>										
Live	14	\$ 1,100,710	\$ 78,622	0	\$ -	N/A	-100.00%	-100.00%		
Simulcast Same-Species	149	\$ 7,484,646	\$ 50,233	0	\$ -	N/A	-100.00%	-100.00%		
Simulcast Cross-Species	149	\$ 1,319,535	\$ 8,856	0	\$ -	N/A	-100.00%	-100.00%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A		
<b>Total Wagers</b>		<b>\$ 9,904,891</b>	<b>N/A</b>		<b>\$ -</b>	<b>N/A</b>	<b>-100.00%</b>	<b>N/A</b>		
<b>Retama Park</b>										
Live	16	\$ 1,838,249	\$ 114,891	47	\$ 4,881,762	\$ 103,867	165.57%	-9.59%		
Simulcast Same-Species	310	\$ 31,011,803	\$ 100,038	310	\$ 31,229,908	\$ 100,742	0.70%	0.70%		
Simulcast Cross-Species	310	\$ 5,674,278	\$ 18,304	310	\$ 5,785,513	\$ 18,663	1.96%	1.96%		
Export	16	\$ 7,830,096	\$ 489,381	47	\$ 13,618,743	\$ 289,760	73.93%	-40.79%		
<b>Total Wagers</b>		<b>\$ 46,354,426</b>	<b>N/A</b>		<b>\$ 55,515,926</b>	<b>N/A</b>	<b>19.76%</b>	<b>N/A</b>		
<b>Sam Houston Race Park</b>										
Live	94	\$ 7,205,400	\$ 76,653	57	\$ 5,371,018	\$ 94,228	-25.46%	22.93%		
Simulcast Same-Species	310	\$ 62,605,851	\$ 201,954	310	\$ 58,062,162	\$ 187,297	-7.26%	-7.26%		
Simulcast Cross-Species	310	\$ 17,328,009	\$ 55,897	310	\$ 16,872,992	\$ 54,429	-2.63%	-2.63%		
Export	94	\$ 67,008,492	\$ 712,856	57	\$ 38,076,488	\$ 668,009	-43.18%	-6.29%		
<b>Total Wagers</b>		<b>\$ 154,147,751</b>	<b>N/A</b>		<b>\$ 118,382,661</b>	<b>N/A</b>	<b>-23.20%</b>	<b>N/A</b>		
<b>All Horse Racetracks</b>										
Live	215	\$ 30,861,444	\$ 143,542	187	\$ 29,205,531	\$ 156,179	-5.37%	8.80%		
Simulcast Same-Species	1,258	\$ 198,909,402	\$ 158,116	1,110	\$ 172,154,180	\$ 155,094	-13.45%	-1.91%		
Simulcast Cross-Species	1,255	\$ 29,652,670	\$ 23,628	1,109	\$ 27,202,157	\$ 24,529	-8.26%	3.81%		
Export	190	\$ 130,723,126	\$ 688,016	179	\$ 96,375,376	\$ 538,410	-26.28%	-21.74%		
<b>Total Wagers</b>		<b>\$ 390,146,642</b>	<b>N/A</b>		<b>\$ 324,937,244</b>	<b>N/A</b>	<b>-16.71%</b>	<b>N/A</b>		
<b>Total Wagers Placed in Texas</b>		<b>\$ 259,423,517</b>	<b>N/A</b>		<b>\$ 228,561,868</b>	<b>N/A</b>	<b>-11.90%</b>	<b>N/A</b>		
<b>Total Wagers Placed on Texas Races</b>		<b>\$ 161,584,570</b>	<b>N/A</b>		<b>\$ 125,580,908</b>	<b>N/A</b>	<b>-22.28%</b>	<b>N/A</b>		



IV-8

**Texas Racing Commission  
Enforcement Report  
Selected Regulatory Statistics  
January 1, 2011 – October 31, 2011**

	GREYHOUND	HORSE	NOTES
# of Live Race Performances/Days	260	182	
# of Live Races	3,351	1,720	
# of Animals Inspected	26,332	15,226	
# of Samples	5,153	3,731	
# of Animal Drug Positives*	7	36	Horse – 2 Class 2, 6 Class 3; 17 Class 4; 4 Class 5; and 7 overages of permitted medication, phenylbutazone. Greyhound – 7 Class 6
% of Samples Testing Positive	0.014%	1.02%	
# of Simulcast Days	782	1,088	
# of Simulcast Races	235,827	343,151	
# of Import and Export Requests	305	1,165	
# of New Licenses Issued	2,451		
# of Licenses Renewed	5,382		
# of Gate, Barn, and Kennel Searches	67		
# of Administrative Investigations	122		
# of Rulings	28	232	
# of Suspensions	3	81	
# of Revocations	1		
# of Animals DQ'ed for Drug Positive – Purse Redistributed	0	13	
# of Rulings with Fines	24	173	
Total Fines Assessed	\$2,475	\$49,200	

\*These are results of the initial sample testing. The results of any subsequent split sample testing and the resulting investigative case may not be reflected.

CLASSIFICATION OF DRUG POSITIVES: Drugs are classified by their effect on the animals, with Class 1 being the most serious for greyhounds and horses and for greyhounds, Class 6 is the least serious, and for horses, Class 5 is the least serious.





## Texas Racing Commission Summary of Legislative Appropriations & Object-of-Expense

### Legislative Appropriations

<u>Base Appropriations</u>	<u>Strategy Description</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
1.1.1.	License / Regulate Racetracks	215,852	220,747	364,926	364,051
1.2.1.	Texas Bred Incentive Program	3,913,439	3,384,865	4,125,000	4,125,000
1.3.1.	Supervise & Conduct Live Races	736,095	640,014	608,795	605,727
1.3.2.	Monitor Licensee Activities	333,906	321,641	242,001	240,821
1.4.1.	Inspect & Provide Emergency Care	342,947	286,518	290,898	271,481
1.4.2.	Administer Drug Test	278,641	242,179	314,463	349,431
2.1.1.	Occupational Licensing Program	409,925	434,355	593,020	562,780
2.1.2.	Texas OnLine	22,071	22,468	23,250	23,250
3.1.1.	Monitor Wagering	372,255	388,773	322,342	322,341
3.1.2.	Wagering Compliance & Inspections	205,367	251,390	236,715	236,715
4.1.1.	Central Administration	655,102	658,206	700,523	719,463
4.1.2.	Information Resources	378,983	463,126	462,049	454,339
<b>Total Base Appropriations</b>		<b>\$ 7,864,583</b>	<b>\$ 7,314,282</b>	<b>\$ 8,283,982</b>	<b>\$ 8,275,399</b>

<u>Rider Appropriations</u>	<u>Rider Description</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
# 7	New Racetrack Cost	-	-	-	-
#10	10% Restoration	-	-	-	-
<b>Total Rider Appropriations</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Total Legislative Appropriations** \$ 7,864,583   \$ 7,314,282   \$ 8,283,982   \$ 8,275,399

### Object-of-Expense (OOE)

<u>Base Appropriations by OOE</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Salaries & Wages	3,009,864	2,840,556	2,847,207	2,889,855
Other Personnel Costs	126,929	191,854	115,960	124,920
Professional Fees & Services	127,744	101,174	282,124	254,500
Consumable Supplies	24,359	32,444	26,408	26,908
Utilities	28,485	22,505	26,500	26,500
Travel	148,255	154,228	188,860	180,902
Rent-Building	107,403	107,294	108,014	108,014
Rent-Machine & Other	10,064	9,656	14,500	14,500
Other Operating Expense	335,754	446,702	540,699	523,300
Grants	3,913,439	3,384,865	4,125,000	4,125,000
Capital Expenditures	32,287	23,004	8,710	1,000
<b>Total Base Appropriations by OOE</b>	<b>\$ 7,864,583</b>	<b>\$ 7,314,282</b>	<b>\$ 8,283,982</b>	<b>\$ 8,275,399</b>

<u>Riders Appropriations by OOE</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Salaries & Wages	-	-	-	-
Other Personnel Costs	-	-	-	-
Travel	-	-	-	-
Grants	-	-	-	-
Capital Expenditures	-	-	-	-
<b>Total Rider Appropriations by OOE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Total OOE for Appropriations** \$ 7,864,583   \$ 7,314,282   \$ 8,283,982   \$ 8,275,399



**Sally B. Briggs**  
**General Manager**

November 3, 2011

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

Dear Mr. Trout:

Due to a shortage of available greyhounds, we are requesting to cancel our Saturday Matinee performances from November 26 – December 31, 2011. We also request to change our post time for the Saturday evening performances to 6 PM and run 17 races instead of 13 races for the same period of time.

Please place this request on the next Texas Racing Commission meeting agenda. If you have questions, please let me know.

Yours truly,

A handwritten signature in black ink that reads "Sally B. Briggs".

Sally B. Briggs  
General Manager

C: Mr. Sammy Jackson, Deputy Director for Wagering and Racing Review  
Mr. Mike Gougler, Interim Deputy for Racing Oversight  
Mr. Eric Wilson  
Mr. Tommy Azopardi



## Memorandum

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

**Date:** November 8, 2011

**To:** Charles G. Trout, Executive Director

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

**RE:** Gulf Greyhound Park Request to Amended 2011 Granted Horse Race Dates

Gulf Greyhound Park has requested to be placed on the Agenda of the November 15<sup>th</sup> Commission Meeting for consideration and approval of an amendment to their 2011 granted greyhound race dates. Specifically, their request, if approved, would do the following:

- Deletes six Saturday Matinee Performances on:
  - November 26, and
  - December 3, 10, 17, 24 and 31;
- Adds six Saturday Abbreviated Performances on:
  - November 26, and
  - December 3, 10, 17, 24 and 31; and
- Results in fifty-four less greyhound races being offered for the period of November 26<sup>th</sup> through December 31<sup>st</sup>.

If you have any questions or if I may be of further assistance, please let me know.

**C:** Commissioner Gloria Hicks, Chair of Committee on Greyhound Race Dates  
Mark Fenner, General Counsel  
All Deputy Directors



2011 NOV -7 PM 4:20

RECEIVED  
TEXAS RACING  
COMMISSION

Texas Greyhound Association

*Representing the Greyhound Breeding and Racing Industry in Texas*

November 7, 2011

Mr. Sammy Jackson  
Texas Racing Commission  
PO Box 12080  
Austin, Tx 78711-2080

Dear Sammy:

The Texas Greyhound Association respectfully requests to be placed on the agenda for the November 15, 2011 Texas Racing Commission meeting for its consideration and approval of the 2012 TGA Cross-Species allocation under TxRC Rule Section 303.102 (d)(2).

Valley Race Park and Gulf Coast Racing will not have live race dates in 2012. Since Gulf Greyhound Park will be the only greyhound track running live races on a year-round basis in 2012, and has been granted equivalent performances to its 2011 schedule, it is in the best interests of the greyhound owners to support the purses at this track.

Effective January 1, 2012 the TGA requests that the interstate cross-species simulcast purses received under Texas Racing Act Sec 6.091(d)(2), after allowable TGA administrative expenses, be allocated only to Gulf Greyhound Park purses through December 31, 2012.

Thank you for your consideration.

Sincerely,

Diane Whiteley  
Executive Director

cc: Sally Briggs, Gulf Greyhound Park & Gulf Coast Racing  
Maury Korn, Valley Race Park

Post Office Box 40; Lorena, TX 76655-0040  
(254) 857-4377 \* (254) 857-4299 Fax  
Email: [dwhiteley@texasgreyhoundassociation.com](mailto:dwhiteley@texasgreyhoundassociation.com)  
Website: [www.texasgreyhoundassociation.com](http://www.texasgreyhoundassociation.com)

V-3



## Memorandum

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

**Date:** November 8, 2011

**To:** Charles G. Trout, Executive Director

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

**RE:** Approval of Allocation Formula for 2012 Greyhound Cross-Species Purse Money

On the agenda of the November 15, 2011, Commission meeting for consideration and approval will be the Texas Greyhound Association's (TGA) proposed allocation formula to distribute purse money the TGA collects from the Texas horse racetracks simulcasting out-of-state greyhound signals in accordance with §6.091(d) of the Texas Racing Act. Staff estimates \$1.4 million in purse funds will be generated in 2012 that will have to be allocated via the formula required to be submitted by the TGA for approval by the Commission.

Commission rule §303.102(d) states, the TGA shall prepare a proposed allocation for consideration by the Commission. In preparing a proposed allocation, TGA shall consider the following:

- the average price-per-point paid for purses at each greyhound racetrack during the preceding year;
- the purse payout at each greyhound racetrack during the preceding year; and
- the impact cross-species simulcasting has made on greyhound purse revenues at each greyhound racetrack during the preceding year.

The TGA's proposed formula would allocate 100% of all greyhound cross-species purse money to Gulf Greyhound Park for 2012. This allocation supports the 2012 greyhound race date calendar approved by the Commission during the September 21, 2011, Commission Meeting. As you may recall, only Gulf Greyhound Park requested race dates in calendar year 2012. Additionally, I have spoken to the three greyhound racetrack operators and all are in support of the TGA's formula for 2012.

Should you have any questions, please feel free to contact me at any time.

**CC:** Commissioner Gloria Hicks, Chair of Committee on Greyhound Race Dates  
Mark Fenner, General Counsel  
All Deputy Directors

Title 16, Part VIII  
Chapter 311. Other Licenses  
Subchapter A. Licensing Provisions  
Division 1. Occupational Licenses

1 **Section 311.5. License Categories and Fees**

2 (a) An applicant for a license must submit with the application  
3 documents the license fee in the amount set by the Commission in  
4 subsection ~~(e)~~(d) of this section.

5 (b) A license fee paid at a racetrack or at the Commission's  
6 headquarters must be paid by a money order, a certified check, a  
7 cashier's check, a credit card, or a personal check. The  
8 executive secretary may approve payment in cash at a racetrack  
9 if the association submits a plan that is approved by the  
10 executive secretary. The plan shall provide for the safety and  
11 security of the licensing office where the cash will be received  
12 and stored and licensing employees who will be responsible for  
13 handling and depositing the cash received. A license fee paid  
14 through the Texas OnLine portal may be paid by any method  
15 approved by the Texas OnLine Authority.

16 (c) Association Employees. Association employees in the  
17 following occupations must hold valid licenses issued by the  
18 Commission to work on association grounds:

- 19 (1) Adoption Program Personnel - A person employed by a  
20 greyhound association to work with an adoption  
21 program.
- 22 (2) Announcer - A person employed to announce races.
- 23 (3) Assistant Starter - A person employed to perform  
24 duties required by the Starter at the starting gate of  
25 a horse racetrack.
- 26 (4) Association Management Staff - A person employed to  
27 manage a department and who has the authority to hire  
28 or fire other employees or whose recommendations as to

Title 16, Part VIII  
Chapter 311. Other Licenses  
Subchapter A. Licensing Provisions  
Division 1. Occupational Licenses

- 1           hiring and firing decisions are given particular  
2           weight.
- 3           (5) Association Officer/Director - A person employed as an  
4           officer of an association or who serves on an  
5           association's board of directors or management  
6           committee.
- 7           (6) Association Staff (with Access to Backside or Secured  
8           Areas) - A person employed to provide various services  
9           on the backside or in areas of a racetrack that are  
10           required by the Commission to be secured. These  
11           services may include, but are not limited to,  
12           clerical, accounting, admissions, food service,  
13           housekeeping, and general maintenance.
- 14           (7) Association Veterinarian - A person employed to  
15           provide veterinary services for greyhounds.
- 16           (8) Law Enforcement - A person employed as a security  
17           officer who is commissioned as a Texas peace officer.
- 18           (9) Lead Out - A person employed to lead greyhounds in the  
19           post parade to the starting box.
- 20           (10) Maintenance - A person employed to work or maintain  
21           the racetrack.
- 22           (11) Medical Staff - A person employed directly by the  
23           association to provide medical assistance.
- 24           (12) Mutuel Clerk - A person employed to work at the  
25           betting windows.
- 26           (13) Mutuel Other - A person employed in the mutuel  
27           department in a capacity other than mutuel clerk.
- 28           (14) Racing Official - A person employed to act as an  
29           official under Chapter 313 of this Title (relating to

Title 16, Part VIII  
Chapter 311. Other Licenses  
Subchapter A. Licensing Provisions  
Division 1. Occupational Licenses

- 1           Officials and Rules of Horse Racing) or Chapter 315 of  
2           this Title (relating to Officials and Rules for  
3           Greyhound Racing).
- 4           (15) Security Officer - A person employed to provide  
5           security for the racetrack grounds.
- 6           (16) Test Technician - A person employed to collect blood  
7           and urine samples and provide other services in the  
8           test barn or testing area.
- 9           (17) Test Barn Escort - A person employed to lead horses  
10          from the finish line to the test barn for post race  
11          testing.
- 12          (18) Valet - A person employed to assist jockeys with their  
13          tack and silks in the jockeys' rooms.
- 14    ~~(d)~~ (e) The fee for an occupational license is as follows:  
15    (No change to fee schedule.)

Texas Racing Commission  
Title 16, Part VIII,  
Chapter 311. Other Licenses  
Subchapter B. Specific Licenses

1 **Section 311.104. Trainers.**

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

3 (k) Other Responsibilities - A trainer is responsible for:

4 (1) - (9) (No change.)

5 (10) ensuring the fitness of a animal to perform creditably at  
6 the distance entered; and

7 (11) ensuring that the trainer's horse is properly shod,  
8 bandaged and equipped; and

9 (12) reporting the correct sex of the horses in his/her care  
10 to the commission veterinarian and the horse identifier.

Texas Racing Commission  
Title 16, Part VIII,  
Chapter 313. Officials and Rules of Horse Racing  
Subchapter A. Officials  
Division 3. Duties of Other Officials

1 **Section 313.50. Horse Identifier.**

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

3 (e) The horse identifier is responsible for the correction of  
4 registration papers and proper designation in the program of the  
5 proper sex of each horse participating in a race meeting.

Texas Racing Commission  
Title 16, Part VIII,  
Chapter 313. Officials and Rules of Horse Racing  
Subchapter C. Claiming Races

1 **Section 313.308. Restrictions on Subsequent Use.**

2 (a) A horse claimed in a claiming race in Texas:

3 (1) may not be sold or transferred, in whole or part, by any  
4 method other than a claiming race during the 30-day period after  
5 the initial claim; and

6 (2) is ineligible to start in a race at a race meeting other  
7 than the one at which it was claimed until the end of the race  
8 meeting at which the horse was claimed, except in a stakes race  
9 after verification by the stewards.

10 (b) A horse claimed in another state is subject to the  
11 eligibility requirements for claimed horses in effect at the  
12 time of the claim in the jurisdiction in which the horse was  
13 claimed.

Texas Racing Commission  
Title 16, Part VIII,  
Chapter 321. Pari-Mutuel Wagering  
Subchapter A. Mutuel Operations  
Division 1. General Provisions

1 **Section 321.21. Certain Wagers Prohibited**

2 (a) An association may not accept a wager made by mail, by  
3 telephone, or by internet. A data communications link for common  
4 pooling purposes is not considered a wager for purposes of this  
5 section.

6 (b) An association may not accept a wager made on credit.

7 (c) A person who is not an association may not accept from a  
8 Texas resident while the resident is in this state a wager on  
9 the result of a greyhound race or horse race conducted inside or  
10 outside this state.

Texas Racing Commission  
Title 16, Part VIII  
Chapter 301. Definitions

1 **Section 301.1 Definitions.**

2 (a) (No change.)

3 (b) (1) - (50) (No change.)

4 (51) Performance--the schedule of horse or greyhound races run  
5 consecutively as one program. A greyhound performance consists  
6 of fifteen or fewer races unless approved by the executive  
7 secretary.

8 (52) - (89) (No change.)

9 (90) "Active license" means a racetrack license designated by  
10 the commission as active.

11 (91) "Inactive license" means a racetrack license designated by  
12 the commission as inactive.

Texas Racing Commission  
Title 16, Part VIII  
Chapter 309. Racetrack Licenses and Operations  
Subchapter A. Racetrack Licenses

1 **Sec. 309.8. Racetrack License Fees.**

2 (a) Purpose of Fees. An association shall pay a license fee to  
3 the Commission to pay the Commission's costs to administer and  
4 enforce the Act, and to regulate, oversee, and license live and  
5 simulcast racing at racetracks.

6 (b) Annual License Fee.

7 (1) A licensed racing association shall pay an annual  
8 license fee. The annual license fee for each license type  
9 is as follows:

10 (A) for a Class 1 racetrack, \$500,000;

11 (B) for a Class 2 racetrack, \$230,000;

12 (C) for a Class 3 or 4 racetrack, \$70,000; and

13 (D) for a Greyhound racetrack, \$360,000.

14 (2) An association that is conducting live racing or  
15 simulcasting shall pay its annual license fee by  
16 remitting to the Commission 1/12<sup>th</sup> of the fee on the first  
17 business day of each month. For the State Fiscal Year  
18 that begins on September 1, 2011, the monthly remittance  
19 shall begin in the month of January.

20 (3) An association that is not conducting live racing or  
21 simulcasting shall pay its annual license fee on  
22 September 1 of each fiscal year. For the State Fiscal  
23 Year that begins on September 1, 2011, the annual license  
24 fees shall be paid in two separate payments. The first  
25 payment will be of \$100,000 and is due on September 1,  
26 2011. The second payment will be of the remaining unpaid  
27 balance and shall be paid on January 1, 2012.

28 (c) Adjustment of Fees.

Texas Racing Commission  
Title 16, Part VIII  
Chapter 309. Racetrack Licenses and Operations  
Subchapter A. Racetrack Licenses

1       (1) Annual fees are calculated using a projected base of  
2       143 days of live horse racing and 270 performances of  
3       live greyhound racing per calendar year. To cover the  
4       additional regulatory cost in the event additional days  
5       or performances are requested by the associations the  
6       executive secretary may:

7       (A) recalculate a horse racetrack's annual fee by adding  
8       \$3,750 for each live day added beyond the base,

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

12       (C) review the original or amended race date request  
13       submitted by each association to establish race date  
14       baselines for specific associations if needed.

15       (2) If at any point the executive secretary determines the  
16       total revenue from the annual fees is insufficient to pay  
17       the Commission's costs during a fiscal year, the  
18       executive secretary shall recommend to the Commission a  
19       supplemental fee, in addition to the license fee, that  
20       each association would be required to pay to generate the  
21       necessary revenue to pay the Commission's costs.

22       (3) If the executive secretary determines that the total  
23       revenue from the annual fees exceeds the amount needed to  
24       pay those costs, the executive secretary may order a  
25       moratorium on all or part of the annual license fees  
26       remitted monthly by any or all of the associations.  
27       Before entering a moratorium order, the executive  
28       secretary shall develop a formula for providing the  
29       moratorium in an equitable manner among the associations.

Texas Racing Commission  
Title 16, Part VIII  
Chapter 309. Racetrack Licenses and Operations  
Subchapter A. Racetrack Licenses

1           In developing the formula, the executive secretary shall  
2           consider the amount of excess revenue received by the  
3           Commission, the source of the revenue, the Commission's  
4           costs associated with regulating each association, the  
5           Commission's projected receipts for the next fiscal year,  
6           and the Commission's projected expenses during the next  
7           fiscal year.

Texas Racing Commission  
Title 16, Part VIII  
Chapter 309. Racetrack Licenses and Operations  
Subchapter B. Operations of Racetracks  
Division 2. Facilities and Equipment

1 **Section 309.129. Automatic Banking Machines.**

2 (a) - (b) (No Change.)

3 (c) Configuration. An automatic banking machine placed on  
4 association grounds must be configured with the following  
5 restrictions:

6 (1) A customer using the machine may withdraw funds only  
7 from his or her checking account at a bank or other financial  
8 institution. A customer may not use the machine to withdraw  
9 funds from a savings account.

10 ~~(2) A customer may withdraw no more than \$200 per day per~~  
11 ~~account. For purposes of this paragraph, a "day" is the 24 hour~~  
12 ~~period beginning at 12:00 midnight.~~

13 (2)~~(3)~~ For each transaction at a machine, a statutory fee  
14 of \$1.00 must be withdrawn from the customer's account in  
15 addition to the amount delivered to the customer and any other  
16 fees authorized and imposed by the bank or other financial  
17 institution, by the association, or by the vendor.

18 (3)~~(4)~~ Before the customer authorizes the transaction, the  
19 machine must display a screen that notifies the customer of the  
20 statutory fee and permits the customer to cancel the  
21 transaction. The notice must state the following or its  
22 equivalent: UNDER TEXAS RACING ACT, §11.04(E), A \$1 FEE MUST BE  
23 COLLECTED ON EACH TRANSACTION AT THIS MACHINE FOR DEPOSIT INTO  
24 THE TEXAS STATE TREASURY.

25 (d) - (f) (No change.)

Texas Racing Commission  
Title 16, Part VIII,  
Chapter 311. Other Licenses  
Subchapter A. Licensing Provisions  
Division 1. Occupational Licenses

1 **Section 311.3. Information for Background Investigation.**

2 (a) Fingerprint Requirements and Procedure.

3 (1) Except as otherwise provided by this section, an  
4 applicant for a license or license renewal must submit with the  
5 application documents a set of the applicant's fingerprints in a  
6 form prescribed by the Department of Public Safety. If the  
7 applicant is not an individual, the applicant must submit a set  
8 of fingerprints on the above-referenced forms for each  
9 individual who:

10 (A) serves as a director, officer, or partner of the  
11 applicant;

12 (B) holds a beneficial ownership interest in the  
13 applicant of 5.0% or more; or

14 (C) owns any interest in the applicant, if requested  
15 by the Department of Public Safety.

16 (2) - (5) (No change.)

17 (6) If an applicant for a license or license renewal is  
18 required to submit fingerprints under this section, the  
19 applicant must also submit a fingerprinting fee of \$44.20  
20 ~~\$12.00~~.

21 (b) (No change.)

Texas Racing Commission  
Title 16, Part VIII  
Chapter 319. Veterinary Practices and Drug Testing  
Subchapter D. Drug Testing  
Division 2. Testing Procedures

- 1 **Section 319.335. ~~Auditing and~~ Approval of Testing Costs.**  
2 (a) All charges for conducting tests under this subchapter must  
3 be reconciled with the number of tests actually conducted  
4 ~~audited~~ and be approved by the executive secretary before  
5 payment. ~~The executive secretary shall audit the charges as to~~  
6 ~~the reasonableness of the charges in accordance with industry~~  
7 ~~standards for comparable testing procedures.~~  
8 (b) - (c) (No change.)

Texas Racing Commission  
Title 16, Part VIII  
Chapter 319. Veterinary Practices and Drug Testing  
Subchapter D. Drug Testing  
Division 2. Testing Procedures

1 **Section 319.336. Payment of Testing Costs.**

2 (a) Responsibility for Payment. Immediately on receipt of  
3 approved charges for conducting tests under this subchapter, an  
4 association shall pay the charges.

5 (b) Authority to Use Outstanding Tickets and Pari-mutuel  
6 Vouchers. An association may use money held by the association  
7 to pay outstanding tickets and outstanding pari-mutuel vouchers  
8 to pay for charges under this section. If the money held is  
9 insufficient to pay the charges, the association shall pay the  
10 remainder of the charges.

11 ~~(c) Accounting and Payment of Remainder.~~

12 ~~(1) The accounting and payment of remainder of outs and~~  
13 ~~vouchers to the Commission shall be done in accordance with~~  
14 ~~§321.36.~~

15 ~~(2) The executive secretary will review the accounting~~  
16 ~~submitted by the association. If the executive secretary~~  
17 ~~determines the accounting is in error, the executive secretary~~  
18 ~~may adjust the amount due to the Commission from outstanding~~  
19 ~~tickets and either demand payment of the additional amount owed~~  
20 ~~or reimburse the association for the excess amount paid to the~~  
21 ~~Commission.~~

22 ~~(d) Pooling of Drug Testing Costs. The executive secretary may~~  
23 ~~establish a procedure to pay drug testing costs by pooling the~~  
24 ~~amounts held by all associations to pay outstanding tickets. If~~  
25 ~~the amount held by an association does not cover the full costs~~  
26 ~~of drug testing for that association, the executive secretary~~  
27 ~~may pay those costs using funds paid to the Commission under~~  
28 ~~subsection (c) (1) of this section.~~

Texas Racing Commission  
Title 16, Part VIII  
Chapter 321. Pari-Mutuel Wagering  
Subchapter A. Mutuel Operations  
Division 3. Mutuel Tickets and Vouchers

1 **Section 321.36. ~~Remittance of Unclaimed Outs and Vouchers.~~**

2 (a) Pursuant to the Act, §3.07, to pay the charges associated  
3 with the medication or drug testing, an association may use the  
4 money held by the association to pay outstanding tickets and  
5 pari-mutuel vouchers. If additional amounts are needed to pay  
6 the charges, the association shall pay those additional amounts.  
7 If the amount of outstanding tickets and pari-mutuel vouchers  
8 held exceeds the amount needed to pay the charges, the  
9 association may retain the excess amount as outstanding tickets  
10 and pari-mutuel vouchers expire. ~~shall pay the excess to the~~  
11 ~~commission.~~

12 ~~(b) The association shall file a quarterly report, on a form~~  
13 ~~prescribed by the executive director, that reports:~~

14 ~~(1) the amount of outstanding tickets and pari-mutuel~~  
15 ~~vouchers that have expired during the quarter as outlined under~~  
16 ~~§321.33;~~

17 ~~(2) the amount needed to reimburse the association for~~  
18 ~~payments made by the association to cover charges associated~~  
19 ~~with the medication or drug testing pursuant to §3.07 of the~~  
20 ~~Act, and~~

21 ~~(3) the amount of excess expired tickets and pari-mutuel~~  
22 ~~vouchers, if any, due to the commission.~~

23 ~~(c) The association shall file the quarterly reports and make~~  
24 ~~payments when applicable on the following schedule:~~

25 ~~(1) September, October and November will constitute the~~  
26 ~~first quarter and shall be filed with the commission no later~~  
27 ~~than December 15;~~

Texas Racing Commission  
Title 16, Part VIII  
Chapter 321. Pari-Mutuel Wagering  
Subchapter A. Mutuel Operations  
Division 3. Mutuel Tickets and Vouchers

1       ~~(2) December, January and February will constitute the~~  
2 ~~second quarter and shall be filed with the commission no later~~  
3 ~~than March 15;~~

4       ~~(3) March, April and May will constitute the third quarter~~  
5 ~~and shall be filed with the commission no later than June 15;~~  
6 ~~and~~

7       ~~(4) June, July and August shall constitute the fourth~~  
8 ~~quarter and shall be filed with the commission no later than~~  
9 ~~September 15.~~

10 ~~(d) The reports and payments submitted by the association are~~  
11 ~~subject to audit by the Commission.~~

Texas Racing Commission  
Title 16, Part VIII  
Chapter 319. Veterinary Practices and Drug Testing  
Subchapter A. General Provisions

1 **Section 319.3. Medication Restricted.**

2 (a) (No change.)

3 (b) The maximum permissible plasma or serum concentration of  
4 phenylbutazone in horses is 2.0 ~~5.0~~ micrograms per milliliter.

5 (c)-(f) (No change.)

Texas Racing Commission  
Title 16, Part VIII  
Chapter 321. Pari-Mutuel Wagering  
Subchapter D. Simulcast Wagering  
Division 1. General Provisions

1 **Section 321.407. Approval of Wagering on Simulcast Import**  
2 **Races.**

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

4 (f) For the purposes of this section, a simulcast import horse  
5 race can be a race of Thoroughbreds, Quarter Horses, Arabians,  
6 Paint Horses, Appaloosas, Standardbreds, or a mixture of the  
7 aforementioned breeds of horses.