



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

Texas Racing Commission
Tuesday, April 10, 2012
10:30 a.m.
John H. Reagan Building
105 W. 15th Street, Room 140
Austin, Texas 78701

AGENDA

I. CALL TO ORDER
Roll Call

II. CEREMONIAL ITEMS

Recognition of former Commissioner Scott Haywood
Remembrance of Diane Whiteley, Texas Greyhound Association

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
- G. Report by the Greyhound Advisory Committee

V. PROCEEDINGS ON RACETRACKS

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

- A. Request by Retama Park for Approval of One Change of Ownership of Less Than 1%
- B. Request by Gulf Coast Racing, Laredo Downs, and Valle de los Tesoros for Approval to Change LaMantia Ownership Interests to Family and Special Trusts
- C. Request by Gulf Greyhound Park for Approval of an Amendment to the Totalisator Contract with United Tote Company
- D. Request by Gulf Greyhound Park on behalf of Gillespie County Fair and Festivals Association for Approval of an Amendment to the Totalisator Contract with United Tote Company

VI. PROCEEDINGS ON RULEMAKING

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

Rule Proposals

- A. Proposal for New Rule 309.51, Designation of Active and Inactive Racetrack Licenses
- B. Proposal for New Rule 309.52, Review and Renewal of Inactive Racetrack Licenses
- C. Proposal to Amend Rule 313.409, Jockey Mount Fees
- D. Proposal to Amend Rule 313.103, Eligibility Requirements
- E. Proposal to Amend Rule 313.101, Entry Procedure
- F. Proposal to Amend 313.104, Registration Certificates
- G. Proposal to Amend 313.306, Transfer of Claimed Horse
- H. Proposal for New Rule 303.97, Dually Registered Horses

Rule Adoptions

- I. Adoption of Amendment to Rule 307.67, Appeal to the Commission
- J. Adoption of Amendment to Rule 307.69, Action by Commission
- K. Adoption of Amendment to Rule 311.3, Information for Background Investigation
- L. Adoption of Amendment to Rule 311.103, Kennel Owners

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.

Litigation that may be discussed includes, but is not limited to:
Cause No. D-1-GN-12-000580; *Dallas City Limits Property Co., LLP, v. Texas Racing Commission*

- B. Under Government Code Sec. 551.071(2), the Commission may open an executive session to discuss all matters identified in this agenda where the commission seeks the advice of their attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and to discuss the Open Meetings Act and the Administrative Procedures Act.

- C. Under Texas Racing Act, Tex. Rev. Civ. Stat. Ann. art. 179e, Sec. 6.03, the Commission may open an executive session to review security plans and management, concession, and totalisator contracts.

VIII. OLD/NEW BUSINESS

Schedule next Commission Meeting

IX. ADJOURN



**Fiscal Year 2012
Operational Budget
By LBB Obj Code**

Updated: March 14, 2012

Thru: February 29, 2012

Summary of Operating Revenue

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
Cash Balance Carry Forward	\$ 556,568	\$ 556,568			0%
Live Race Day Fees	\$ 154,725	\$ 158,855		\$ (4,130)	-3%
Simulcast Race Day Fees	\$ 296,330	\$ 294,580		\$ 1,750	1%
Annual License Fees (Active & Inactive)	\$ 4,308,997	\$ 2,877,745	\$ 160,448	\$ 1,431,252	33%
Occupational License Fees and Fines	\$ 844,600	\$ 265,763		\$ 578,837	69%
ATB Program Pass Thru Fees	\$ 4,125,000	\$ 1,456,396		\$ 2,668,604	65%
Other Revenue	\$ 37,200	\$ 18,742		\$ 18,458	50%
Account 597 - Racing Commission - GRD	\$ 10,323,420	\$ 5,628,648	\$ 160,448	\$ 4,694,772	45%
State of Texas General Revenue Fund	\$ -	\$ -		\$ -	n/a
Account 1 - State of Texas - GR	\$ -	\$ -	\$ -	\$ -	n/a
TOTAL - ALL REVENUES	\$ 10,323,420	\$ 5,628,648	\$ 160,448	\$ 4,694,772	45%

Summary of Appropriated Operating Expenses

By Division:	Budget	Expended	Encumbered	Unexpended Balance	%
Racing Oversight	\$ 1,474,369	\$ 640,040		\$ 834,329	57%
Wagering & Racing Review	\$ 711,535	\$ 256,503		\$ 455,032	64%
Finance & Administration	\$ 651,303	\$ 315,086		\$ 336,218	52%
1001 - Salaries and Wages:	\$ 2,837,207	\$ 1,211,628	\$ -	\$ 1,625,579	57%
Racing Oversight	\$ 79,860	\$ 38,244		\$ 41,616	52%
Wagering & Racing Review	\$ 23,300	\$ 10,268		\$ 13,032	56%
Administration	\$ 22,800	\$ 9,873		\$ 12,927	57%
1002 - Other Personnel Cost:	\$ 125,960	\$ 58,385	\$ -	\$ 67,575	54%
Racing Oversight	\$ 84,124	\$ 18,949		\$ 65,175	77%
Wagering & Racing Review	\$ 131,000	\$ -		\$ 131,000	100%
Finance & Administration	\$ 67,000	\$ 10,850		\$ 56,150	84%
2001 - Professional Fees and Services:	\$ 282,124	\$ 29,800	\$ -	\$ 252,324	89%
Racing Oversight	\$ 2,700	\$ 87		\$ 2,613	97%
Wagering & Racing Review	\$ 3,000	\$ 591		\$ 2,409	80%
Finance & Administration	\$ 20,708	\$ 5,271		\$ 15,437	75%
2003 - Consumable Supplies:	\$ 26,408	\$ 5,949	\$ -	\$ 20,459	77%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ -	\$ 228		\$ (228)	
Administration	\$ 26,500	\$ 10,301		\$ 16,199	61%
2004 - Utilities:	\$ 26,500	\$ 10,529	\$ -	\$ 15,971	60%
Racing Oversight	\$ 119,150	\$ 33,487		\$ 85,663	72%
Wagering & Racing Review	\$ 34,452	\$ 10,157		\$ 24,295	71%
Finance & Administration	\$ 35,259	\$ 9,781		\$ 25,478	72%
2005 - Travel:	\$ 188,861	\$ 53,425	\$ -	\$ 135,436	72%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 2,700	\$ 2,700		\$ -	0%
Finance & Administration	\$ 105,314	\$ 61,226		\$ 44,088	42%
2006 - Rent Building:	\$ 108,014	\$ 63,926	\$ -	\$ 44,088	41%



**Fiscal Year 2012
Operational Budget
By LBB Obj Code**

Updated: March 14, 2012

Thru: February 29, 2012

Summary of Operating Revenue

	Budget	Expended	Encumbered	Uncollected Unexpended Balance	%
Racing Oversight	\$ 12,000	\$ 4,312		\$ 7,688	64%
Wagering & Racing Review	\$ -	\$ -		\$ -	
Finance & Administration	\$ 2,500	\$ 839		\$ 1,661	66%
2007 - Rent Machine and Other:	\$ 14,500	\$ 5,150	\$ -	\$ 9,350	64%
Racing Oversight	\$ 300,225	\$ 62,300		\$ 237,925	79%
Wagering & Racing Review	\$ 106,410	\$ 26,453		\$ 79,957	75%
Finance & Administration	\$ 134,065	\$ 28,884		\$ 105,181	78%
2009 - Other Operating Expense:	\$ 540,700	\$ 117,636	\$ -	\$ 423,064	78%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 4,125,000	\$ 1,456,396		\$ 2,668,604	65%
Administration	\$ -	\$ -		\$ -	
4000 - Grants	\$ 4,125,000	\$ 1,456,396	\$ -	\$ 2,668,604	65%
Racing Oversight	\$ -	\$ -		\$ -	
Wagering & Racing Review	\$ 8,710	\$ -		\$ 8,710	100%
Finance & Administration	\$ -	\$ -		\$ -	
5000 - Capital Expenditures:	\$ 8,710	\$ -	\$ -	\$ 8,710	100%
TOTAL - ALL APPROPRIATED EXPENDITURES	\$ 8,283,984	\$ 3,012,824	\$ -	\$ 5,271,160	64%

Summary of Unappropriated Operating Expenses

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
OASI Match	\$ 217,671	\$ 93,361		\$ 124,309	57%
Group Insurance	\$ 243,716	\$ 114,028		\$ 129,688	53%
State Retirement	\$ 183,177	\$ 65,340		\$ 117,836	64%
Benefit Replacement	\$ 29,791	\$ 13,357		\$ 16,434	55%
ERS Retiree Insurance	\$ 200,000	\$ 97,621		\$ 102,379	51%
SWCAP GR Reimbursement	\$ 55,000	\$ 20,233		\$ 34,767	63%
Unemployment Cost	\$ 20,000	\$ 2,451		\$ 17,549	88%
Other	\$ -	\$ -		\$ -	
Unappropriated Operating Expenses	\$ 949,354	\$ 406,391	\$ -	\$ 542,963	57%
TOTAL - ALL UNAPPROPRIATED EXPENDITURES	\$ 949,354	\$ 406,391	\$ -	\$ 542,963	57%
TOTAL - ALL EXPENDITURES	\$ 9,233,338	\$ 3,419,215	\$ -	\$ 5,814,123	63%

OPERATING SURPLUS / (DEFICIT) \$ 1,090,082 \$ 2,209,433

Summary of FTE's

By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Authorized FTE's	61.30	61.30	61.30	61.30
Budgeted FTE's	53.05	53.05	53.05	53.05
Budgeted FTE's Over / (Under) Authorization	(8.25)	(8.25)	(8.25)	(8.25)
Budgeted FTE's	53.05	53.05	53.05	53.05
Actual FTE's	47.30	42.23		
Actual FTE's Over / (Under) Budget	(5.75)	(10.82)		
Actual FTE's Over / (Under) Authorization	(14.00)	(19.07)		



**Fiscal Year 2012
Operational Budget**

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TOTAL - ALL REVENUES	\$ 10,323,420	\$ 5,628,648	\$ 160,448	\$ 4,694,772	45%

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	Budget	Expended	Encumbered	Unexpended Balance	%
1001 - Salaries and Wages:	\$ 2,837,207	\$ 1,211,628	\$ -	\$ 1,625,579	57%
1002 - Other Personnel Cost:	\$ 125,960	\$ 58,385	\$ -	\$ 67,575	54%
2001 - Professional Fees and Services:	\$ 282,124	\$ 29,800	\$ -	\$ 252,324	89%
2003 - Consumable Supplies:	\$ 26,408	\$ 5,949	\$ -	\$ 20,459	77%
2004 - Utilities:	\$ 26,500	\$ 10,529	\$ -	\$ 15,971	60%
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4000 - Grants	\$ 4,125,000	\$ 1,456,396	\$ -	\$ 2,668,604	65%
5000 - Capital Expenditures:	\$ 8,710	\$ -	\$ -	\$ 8,710	100%
TOTAL - ALL APPROPRIATED EXPENDITURES	\$ 8,283,984	\$ 3,012,824	\$ -	\$ 5,271,160	64%

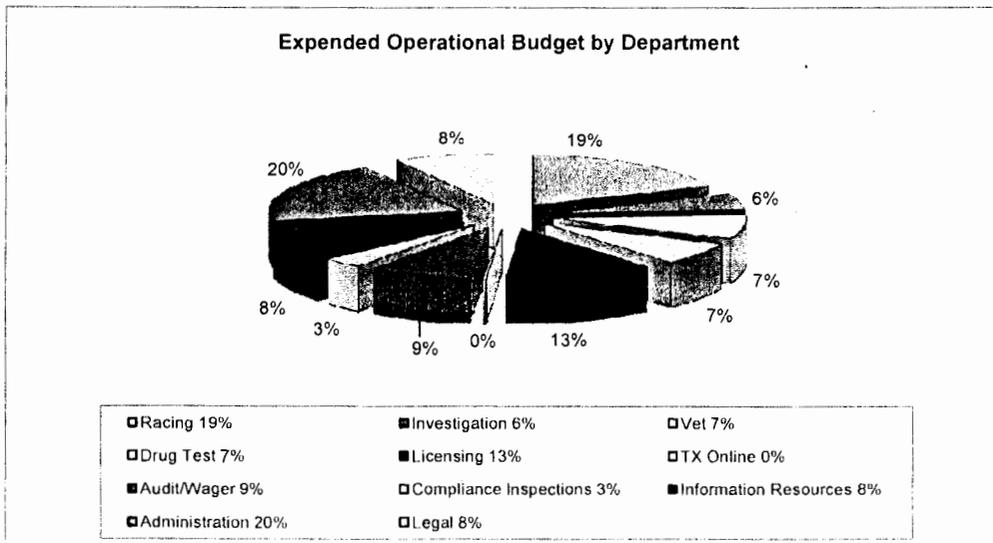
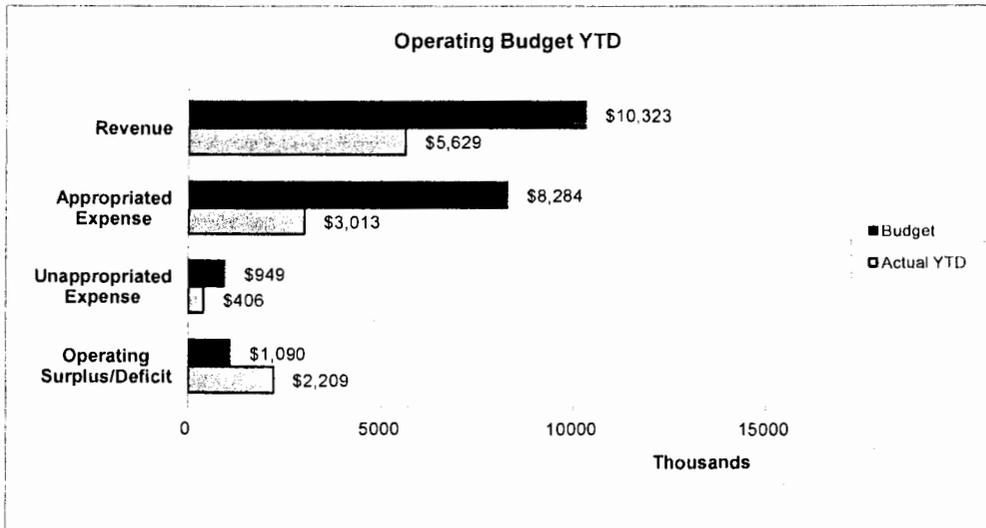
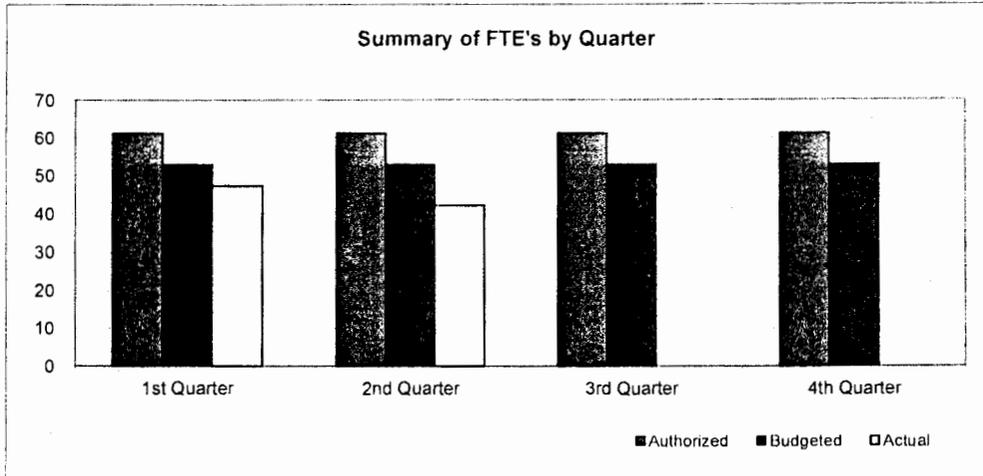
Unappropriated Operating Expenses
Type:

	Budget	Expended	Encumbered	Unexpended Balance	%
TOTAL - ALL UNAPPROPRIATED EXPENDITURES	\$ 949,354	\$ 406,391	\$ -	\$ 542,963	57%
TOTAL - ALL EXPENDITURES	\$ 9,233,338	\$ 3,419,215	\$ -	\$ 5,814,123	63%

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Authorized FTE's	61.30	61.30	61.30	61.30
Budgeted FTE's	53.05	53.05	53.05	53.05
Actual FTE's	47.30	42.23		
Actual FTE's Over / (Under) Budget	(5.75)	(10.82)		
Actual FTE's Over / (Under) Authorization	(14.00)	(19.07)		



Texas Racing Commission

Report on Racetrack Inspection Activities

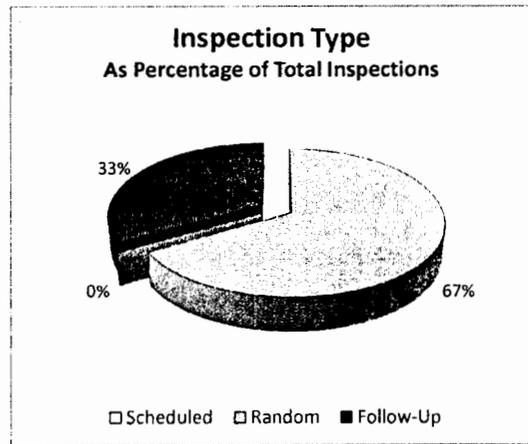
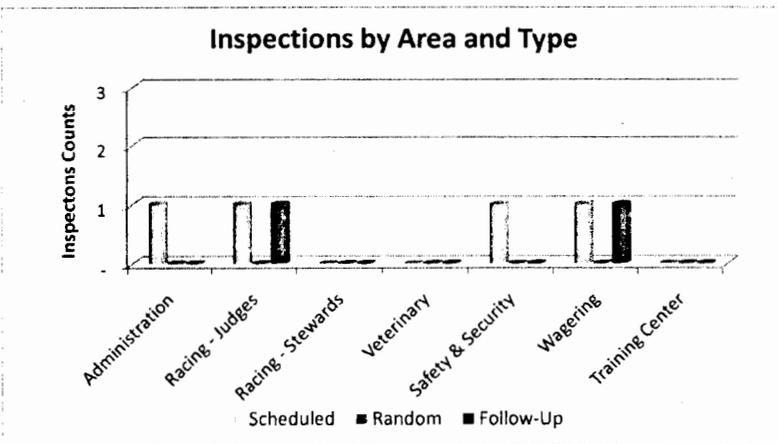
April 10, 2012

Summary of Inspections Performed For The Period of January 20, 2012 thru March 31, 2012					
Track	Area of Inspection	Date of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
Gulf Greyhound Park	Racing - Judges	1/20/2012	1	1	-
	Safety & Security	2/22/2012	-	-	-
	Wagering	3/15/2012	1	1	-
	Administration	3/16/2012	1	-	1 *

Inspection Counts by Area and Type				
Area of Inspection	Scheduled	Random	Follow-Up	Totals
Administration	1	-	-	1
Racing - Judges	1	-	1	2
Racing - Stewards	-	-	-	-
Veterinary	-	-	-	-
Safety & Security	1	-	-	1
Wagering	1	-	1	2
Training Center	-	-	-	-
Total Inspections	4	-	2	6

Important Notes Regarding Inspections at Racetracks:

- 1) Scheduled inspections typically occur before the beginning of each race meet. Random inspections typically are planned to occur during the middle of a meet depending on the length of the meet.
- 2) Follow-up inspections are only performed when a scheduled or random inspection identifies an unsatisfactory item. The follow-up inspection is performed after the association has had an opportunity to remedy any unsatisfactory item initially reported.



*This unsatisfactory item, an expired totalisator contract, can be remedied on April 10, 2012 with the Commission's approval of the new contract submitted by Gulf Greyhound Park.



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

For the Period: 01/01/11 - 04/01/11 to 01/01/12 -04/01/12

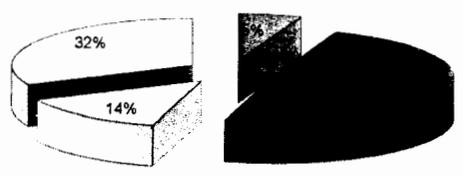
Sources of Wagers <u>Greyhound Racetracks</u>	Year 2011 01/01 - 04/01				Year 2012 01/01 -04/01				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
Live	62	\$ 2,598,484	\$ 41,911	64	\$ 2,468,125	\$ 38,564	-5.02%	-7.98%		
Simulcast Same-Species	232	\$ 6,993,487	\$ 30,144	237	\$ 7,242,467	\$ 30,559	3.56%	1.38%		
Simulcast Cross-Species	232	\$ 6,427,984	\$ 27,707	237	\$ 5,335,877	\$ 22,514	-16.99%	-18.74%		
Export	62	\$ 3,085,965	\$ 49,774	64	\$ 3,292,941	\$ 51,452	6.71%	3.37%		
Total Wagers		\$ 19,105,919	N/A		\$ 18,339,410	N/A	-4.01%	N/A		

Sources of Wagers <u>Horse Racetracks</u>	Year 2011 01/01 - 04/01				Year 2012 01/01 -04/01				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
Live	37	\$ 3,664,958	\$ 99,053	37	\$ 4,332,549	\$ 117,096	18.22%	18.22%		
Simulcast Same-Species	325	\$ 47,227,336	\$ 145,315	299	\$ 51,042,060	\$ 170,709	8.08%	17.48%		
Simulcast Cross-Species	324	\$ 8,768,806	\$ 27,064	299	\$ 8,730,581	\$ 29,199	-0.44%	7.89%		
Export	37	\$ 32,575,049	\$ 880,407	37	\$ 41,544,117	\$ 1,122,814	27.53%	27.53%		
Total Wagers		\$ 92,236,149	N/A		\$ 105,649,308	N/A	14.54%	N/A		

Sources of Wagers <u>All Texas Racetracks</u>	Year 2011 01/01 - 04/01				Year 2012 01/01 -04/01				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
Live	99	\$ 6,263,442	\$ 63,267	101	\$ 6,800,674	\$ 67,333	8.58%	6.43%		
Simulcast Same-Species	557	\$ 54,220,822	\$ 97,344	536	\$ 58,284,527	\$ 108,740	7.49%	11.71%		
Simulcast Cross-Species	556	\$ 15,196,790	\$ 27,332	536	\$ 14,066,459	\$ 26,243	-7.44%	-3.98%		
Export	99	\$ 35,661,014	\$ 360,212	101	\$ 44,837,058	\$ 443,931	25.73%	23.24%		
Total Wagers		\$ 111,342,068	N/A		\$ 123,988,718	N/A	11.36%	N/A		

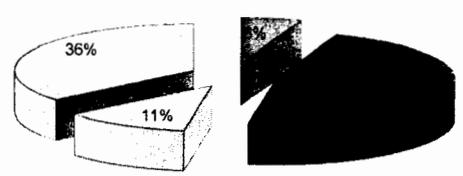
Total Wagers Placed in Texas	\$	75,681,054	N/A	\$	79,151,660	N/A	4.59%	N/A
Total Wagers Placed on Texas Races	\$	41,924,456	N/A	\$	51,637,732	N/A	23.17%	N/A

2011 Wagers by Source



Live
 Simulcast Same-Species
 Simulcast Cross-Species
 Export

2012 Wagers by Source



Live
 Simulcast Same-Species
 Simulcast Cross-Species
 Export

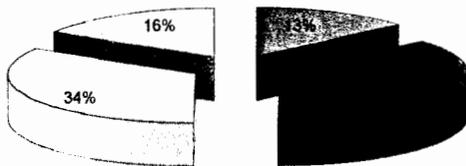


**Greyhound Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed
in Texas & on Texas Races**

For the Period: 01/01/11 - 04/01/11 to 01/01/12 -04/01/12

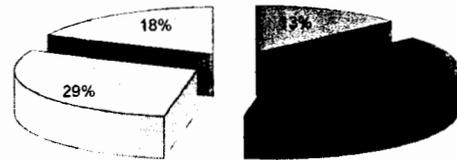
Sources of Wagers	Year 2011 01/01 - 04/01			Year 2012 01/01 -04/01			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
Gulf Coast Racing								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	64	\$ 1,763,603	\$ 27,556	66	\$ 1,968,371	\$ 29,824	11.61%	8.23%
Simulcast Cross-Species	64	\$ 920,936	\$ 14,390	66	\$ 944,393	\$ 14,309	2.55%	-0.56%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 2,684,538	N/A		\$ 2,912,764	N/A	8.50%	N/A
Gulf Greyhound Park								
Live	62	\$ 2,598,484	\$ 41,911	64	\$ 2,468,125	\$ 38,564	-5.02%	-7.98%
Simulcast Same-Species	90	\$ 3,240,742	\$ 36,008	92	\$ 3,310,558	\$ 35,984	2.15%	-0.07%
Simulcast Cross-Species	90	\$ 3,587,142	\$ 39,857	92	\$ 2,812,838	\$ 30,574	-21.59%	-23.29%
Export	62	\$ 3,085,965	\$ 49,774	64	\$ 3,292,941	\$ 51,452	6.71%	3.37%
Total Wagers		\$ 12,512,333	N/A		\$ 11,884,462	N/A	-5.02%	N/A
Valley Race Park								
Live	0	\$ -	\$ -	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	78	\$ 1,989,142	\$ 25,502	79	\$ 1,963,538	\$ 24,855	-1.29%	-2.54%
Simulcast Cross-Species	78	\$ 1,919,907	\$ 24,614	79	\$ 1,578,646	\$ 19,983	-17.77%	-18.82%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 3,909,049	N/A		\$ 3,542,184	N/A	-9.39%	N/A
All Greyhound Racetracks								
Live	62	\$ 2,598,484	\$ 41,911	64	\$ 2,468,125	\$ 38,564	-5.02%	-7.98%
Simulcast Same-Species	232	\$ 6,993,487	\$ 30,144	237	\$ 7,242,467	\$ 30,559	3.56%	1.38%
Simulcast Cross-Species	232	\$ 6,427,984	\$ 27,707	237	\$ 5,335,877	\$ 22,514	-16.99%	-18.74%
Export	62	\$ 3,085,965	\$ 49,774	64	\$ 3,292,941	\$ 51,452	6.71%	3.37%
Total Wagers		\$ 19,105,919	N/A		\$ 18,339,410	N/A	-4.01%	N/A
Total Wagers Placed in Texas		\$ 16,019,954	N/A		\$ 15,046,469	N/A	-6.08%	N/A
Total Wagers Placed on Texas Races		\$ 5,684,449	N/A		\$ 5,761,066	N/A	1.35%	N/A

2011 Wagers by Source



Live
 Simulcast Same-Species
 Simulcast Cross-Species
 Export

2012 Wagers by Source



Live
 Simulcast Same-Species
 Simulcast Cross-Species
 Export

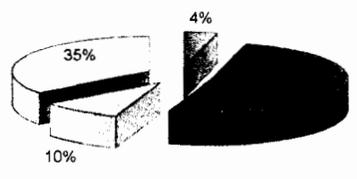


Horse Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed
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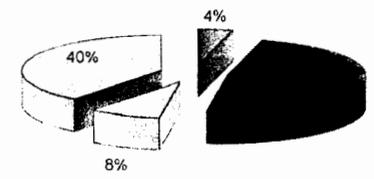
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	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager		
Gillespie County Fair										
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A	N/A	N/A
Simulcast Same-Species	52	\$ 946,934	\$ 18,210	53	\$ 652,218	\$ 12,306	-31.12%	-32.42%		
Simulcast Cross-Species	52	\$ 114,525	\$ 2,202	53	\$ 87,679	\$ 1,654	-23.44%	-24.89%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A	N/A	N/A
Total Wagers		\$ 1,061,459	N/A		\$ 739,898	N/A	-30.29%	N/A		
Lone Star Park										
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A	N/A	N/A
Simulcast Same-Species	91	\$ 22,845,224	\$ 251,046	92	\$ 24,574,867	\$ 267,118	7.57%	6.40%		
Simulcast Cross-Species	90	\$ 1,467,123	\$ 16,301	92	\$ 1,391,052	\$ 15,120	-5.19%	-7.25%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A	N/A	N/A
Total Wagers		\$ 24,312,347	N/A		\$ 25,965,920	N/A	6.80%	N/A		
Retama Park										
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A	N/A	N/A
Simulcast Same-Species	91	\$ 7,973,548	\$ 87,621	92	\$ 9,465,998	\$ 102,891	18.72%	17.43%		
Simulcast Cross-Species	91	\$ 2,071,334	\$ 22,762	92	\$ 2,039,489	\$ 22,168	-1.54%	-2.61%		
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A	N/A	N/A
Total Wagers		\$ 10,044,882	N/A		\$ 11,505,487	N/A	14.54%	N/A		
Sam Houston Race Park										
Live	37	\$ 3,664,958	\$ 99,053	37	\$ 4,332,549	\$ 117,096	18.22%	18.22%		
Simulcast Same-Species	91	\$ 15,461,630	\$ 169,908	62	\$ 16,348,977	\$ 263,693	5.74%	55.20%		
Simulcast Cross-Species	91	\$ 5,115,824	\$ 56,218	62	\$ 5,212,361	\$ 84,070	1.89%	49.54%		
Export	37	\$ 32,575,049	\$ 880,407	37	\$ 41,544,117	\$ 1,122,814	27.53%	27.53%		
Total Wagers		\$ 56,817,461	N/A		\$ 67,438,004	N/A	18.69%	N/A		
All Horse Racetracks										
Live	37	\$ 3,664,958	\$ 99,053	37	\$ 4,332,549	\$ 117,096	18.22%	18.22%		
Simulcast Same-Species	325	\$ 47,227,336	\$ 145,315	299	\$ 51,042,060	\$ 170,709	8.08%	17.48%		
Simulcast Cross-Species	324	\$ 8,768,806	\$ 27,064	299	\$ 8,730,581	\$ 29,199	-0.44%	7.89%		
Export	37	\$ 32,575,049	\$ 880,407	37	\$ 41,544,117	\$ 1,122,814	27.53%	27.53%		
Total Wagers		\$ 92,236,149	N/A		\$ 105,649,308	N/A	14.54%	N/A		
Total Wagers Placed in Texas		\$ 59,661,100	N/A		\$ 64,105,191	N/A	7.45%	N/A		
Total Wagers Placed on Texas Races		\$ 36,240,007	N/A		\$ 45,876,666	N/A	26.59%	N/A		

2011 Wagers by Source



Legend: Live (white), Simulcast Same-Species (black), Simulcast Cross-Species (grey), Export (light grey)

2012 Wagers by Source



Legend: Live (white), Simulcast Same-Species (black), Simulcast Cross-Species (grey), Export (light grey)

Texas Racing Commission
Enforcement Report
Selected Regulatory Statistics
January 1, 2012 – March 31, 2012

	GREYHOUND	HORSE	NOTES
# of Live Race Performances/Days	75	37	
# of Live Races	974	374	
# of Animals Inspected	7,678	3,203	
# of Samples	1,371	789	
# of Animal Drug Positives*	0	7	
% of Samples Testing Positive	0	.89%	
# of Simulcast Days	234	325	
# of Simulcast Races	72,108	100,250	
# of Import and Export Requests	50	404	
# of New Licenses Issued	515		
# of Licenses Renewed	953		
# of Gate, Barn, and Kennel Searches	13		
# of Administrative Investigations	12		
# of Rulings	4	28	
# of Suspensions	0	8	
# of Revocations	0	0	
# of Animals DQ'ed for Drug Positive – Purse Redistributed	0	1	
# of Rulings with Fines	4	23	
Total Fines Assessed	\$200	\$3,600	

*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 POSITVES: 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
P.O. BOX 12080
AUSTIN, TEXAS 78711-2080
(512) 833-6699
FAX (512) 833-6907

March 23, 2012

To: Chuck Trout
Executive Director

From:  Michael Gougler
Deputy Director for Racing Oversight

RE: Ownership Changes Retama Partners Ltd.

On February 1, 2012, the commission received a request from Retama Partners Ltd. to approve the transfer of the following ownership interest/units.

Estate of Ruskin C. Norman to:

- 210 Muy Buena Suerte Ltd 5 interests/units (.1245% ownership)
- Straus 2003 Irrevocable Trust 5 interests/units (.1245% ownership)

Background information forms for the applicants were forwarded to the Department of Public Safety Bureau of Information Analysis for investigation.

On March 22, 2012, the Commission received a written report from DPS advising that there was no disqualifying information revealed by the investigation.

It is recommended that the application for ownership transfer change, as indicated above, be approved.

Retama Partners Ltd.

P. O. Box 47535

San Antonio, TX 78265-7535

210-651-7120 Fax 210-651-7097

2012 FEB -1 PM 2:11

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TEXAS RACING
COMMISSION

January 30, 2012

Mr. Mark Fenner
Texas Racing Commission
PO Box 12080
Austin, TX 78711-2080

Dear Mark:

Enclosed are the documents required for transfer of the following ownership interests/units in Retama Partners Ltd.

- Estate of Ruskin C. Norman to:
 - 210 Muy Buena Suerte Ltd 5 interests/units (.1245% ownership)
 - Straus 2003 Irrevocable Trust 5 interests/units (.1245% ownership)

210 Muy Buena Suerte Ltd will own a 1.3695% interest in Retama Partners Ltd and the Straus 2003 Irrevocable Trust will have an 8.1753% interest. The effective date of these transfers is August 31, 2011.

Two checks for \$75.00 each are enclosed to cover the transfer/investigation fees. Please let me know if you need any further information for approval of this transfer by the Texas Racing Commission. Thanks for your help.

Sincerely,


Sharolyn Grammer

Enclosures



TEXAS RACING COMMISSION
P.O. BOX 12080
AUSTIN, TEXAS 78711-2080
(512) 833-6699
FAX (512) 833-6907

February 2, 2012

To: Chuck Trout
Executive Director

From:  Michael Gougler
Deputy Director for Racing Oversight

RE: Ownership Changes Laredo Downs, Tesoro Race Park and Gulf Coast Racing

On January 13, 2012, the commission received a request by Laredo Downs, Tesoro Race Park and Gulf Coast Racing. These requests relate to the transfer of some ownership interests to various special and family trusts. Although the beneficiaries of these trusts are different from the original interest holders, control of the trusts remains within the original group of interest holders. These transfers are more fully described in the enclosed materials for each track.

Background information forms for the applicants were forwarded to the Department of Public Safety Bureau of Information Analysis for investigation.

On February 2, 2012, the Commission received a written report from DPS advising that there was no disqualifying information revealed by the investigation.

It is recommended that the application for ownership transfer change, as indicated above, be approved.

MOLTZ MORTON O'TOOLE

2012 JAN 13 PM 3:39

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TEXAS RACING
COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

January 13, 2012

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

Via Hand Delivery

RE: Request for Approval of Ownership Interest Change

Dear Mr. Trout:

Enclosed with this letter you will find three envelopes containing Requests for Approval of Ownership Interest and/or Management Changes. One of these envelopes relates to Laredo Downs; one relates to Tesoros Race Park; and one relates to Gulf Coast Racing. In general terms, these requests relate to the transfer of ownership interests to various trusts and changes in the management positions of two individuals. These changes are more fully described in the enclosed materials relating to each track.

Also, you will find attached to this letter a check in the amount of twenty thousand nine hundred dollars (\$20,900.00) that represents the total fees associated with these Requests as well as a chart itemizing each of the fees which make up this total. For your convenience, the chart also gives the percentage interest each new owner has received in the respective track to facilitate verification that the fee amounts adhere to the fee schedules within Chapter 309 of the Racing Commission's rules.

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures

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2012 JAN 13 PM 5:20

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COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

January 13, 2012

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

Via Hand Delivery

RE: Notice of Transfer of Stephen L. LaMantia's Interests to the Stephen L. LaMantia Special Trust and Request for Approval of Change in Management Positions for Stephen L. LaMantia

Dear Mr. Trout:

Through this letter, 361 Muy Buena Suerte, Ltd. requests Commission approval of certain ownership and management interest changes relating to Stephen L. LaMantia in entities associated with Gulf Coast Racing. As you are aware, Stephen L. LaMantia is a part owner of 361 Muy Buena Suerte, Ltd. which, in turn, is the majority owner of Gulf Coast Racing, LLC, holder of the license for Gulf Coast Racing. Due to Mr. LaMantia's participation in National College Athletics Association ("NCAA") events as a football Official, the NCAA has requested that Mr. LaMantia cease his management activities in these entities and place his ownership interest into a blind trust. Pursuant to that request, on October 20, 2011, Stephen L. LaMantia, as grantor of the "Stephen L. LaMantia Special Trust" ("Blind Trust"), transferred all of his ownership interests in Muy Buena Suerte, Ltd. into the Blind Trust. Mr. Gregory LaMantia is the sole trustee of that Blind Trust. Please note that Mr. Greg LaMantia is an existing owner of Gulf Coast Racing and has previously been subjected to DPS background checks.

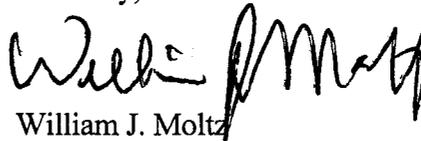
We are forwarding the appropriate fee associated with this request under separate cover.

MOLTZ | MORTON | O'TOOLE
LLP

Chuck Trout, Executive Director
January 13, 2012
Page 2

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures
cc: Mark Fenner (w/o encls.)

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COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

January 13, 2012

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

Via Hand Delivery

RE: Request for Approval of Ownership Interest Change; Gulf Coast Racing

Dear Mr. Trout:

As you are aware, 361 Muy Buena Suerte, Ltd. holds a 65.3% interest in Gulf Coast Racing, LLC. which holds the license for Gulf Coast Racing. 361 Muy Buena Suerte, Ltd. is, in turn, owned by six members of the LaMantia family. These six owners of 361 Muy Buena Suerte, Ltd. seek approval of a transfer of approximately thirty nine percent of their interest in 361 Muy Buena Suerte, Ltd. to trusts for the benefit of their respective children/grandchildren. All of the trustees of these trusts are current approved owners of 361 Muy Buena Suerte, Ltd. In addition, the ownership interests transferred into these trusts do not carry voting rights.

Enclosed you will find the following reports for Gulf Coast Racing:

Attachment 1 - "Total Beneficial Interest" - A chart showing the ownership of Gulf Coast Racing, LLC. This is background information only as there is no change in this direct ownership.

Attachment 2 - "Ownership, 361 Muy Buena Suerte, Ltd." - This chart shows the changes in ownership of 361 Muy Buena Suerte, Ltd. and provides the name of the trustees and beneficiaries of the new trusts. The address, date of birth, driver's license number, and social security number of each trust beneficiary is shown on a Table submitted separately with the "Confidential" documents associated with this request.

Attachment 3 - "Changes to Ownership Interest in Gulf Coast Racing, LLC" - This chart shows the changes to the ownership interest in the licensee, Gulf Coast Racing, LLC. Gulf Coast Racing is seeking the Texas Racing Commission's approval for the changes reflected in this chart.

MOLTZ | MORTON | O'TOOLE
LLP

Chuck Trout, Executive Director

January 13, 2012

Page 2

Please note that each of the new trusts were formed via separate Trust Agreements. With the exception of the names of the Trustees and the Beneficiary, however, all of those agreements are identical. Similarly, each trust acquired its respective interest in 361 Muy Buena Suerte, Ltd. through a separate "Unit Purchase Agreement". With the exception of the name of the trust, the interest purchased, and the consideration paid, however, each of these Agreements is identical. Under a separate confidential cover, I am forwarding a sample of the Trust Agreement and the Unit Purchase Agreement. I am also forwarding a confidential Table showing the consideration paid by each Trust for its respective interest in 361 Muy Buena Suerte, Ltd.

The fee associated with the above request is being forwarded simultaneously under a separate cover.

Gulf Coast Racing respectfully requests that these adjustments be placed on the agenda for the Commission's next public meeting.

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures

ATTACHMENT 1

GULF COAST RACING

TOTAL BENEFICIAL INTEREST

NO CHANGE

361 Muy Buena Suerte, LLC	65.3000
Paul W. Bryant, Jr.	4.9000
Sam M. Phelps	4.9000
Nick Serafy Jr.	4.9000
Mikal Watts	20.0000
Totals	100%

ATTACHMENT 2

OWNERSHIP, 361 MUY BUENA SUERTE, LLC.

Name of Racetrack: Gulf Coast Racing Page 1 of 4

Legal Entity: 361 Muy Buena Suerte, LLC

Information provided by: Gregory LaMantia Date: 01/13/2012

Identify each individual or entity that has either gained or lost an ownership interest in the association since the date of your 2011 Ownership Structure Report. This would include changes in the ownership of a separate entity that owns an interest in the association.

Full Legal Name of Owner	Percent of Ownership	IF OWNER IS QN ENTITY, Full Legal Name of Individual Owners/Representatives of Entity			
		Original Owners	New Owners	Old Percentage	New Percentage
361 Muy Buena Suerte, LLC	100	Joseph V. LaMantia, Jr.		16.66	10.16
		Joseph V. LaMantia, III		16.66	10.16
		Stephen L. LaMantia		16.66	0
		Gregory LaMantia		16.66	10.16
		Anthony LaMantia		16.66	10.16
		Verna Ann La Mantia Peisen, Trustee of the Val Peisen Management Trust		16.66	10.16
			The Stephen L. LaMantia Special Trust Beneficiary: Stephen L. LaMantia Trustee: Gregory LaMantia		10.16
			The Marty Peisen 2011 Trust Beneficiary: Marty Peisen Trustee: Stephen L. LaMantia		1.56
			The Grant Michael Peisen 2011 Trust Beneficiary: Grant Michael Peisen Trustee: Stephen L. LaMantia		1.56
	The Lisa Marie Peisen 2011 Trust Beneficiary: Lisa Marie Peisen Trustee: Stephen L. LaMantia		1.56		

21

OWNERSHIP, 361 MUY BUENA SUERTE, LLC.

Name of Racetrack: Gulf Coast Racing Page 2 of 4

Legal Entity: 361 Muy Buena Suerte, LLC

Information provided by: Gregory LaMantia Date: 01/09/2012

Full Legal Name of Owner	Percent of Ownership	IF OWNER IS QN ENTITY, Full Legal Name of Individual Owners/Representatives of Entity		
		The Alexandra Ann Peisen 2011 Trust Beneficiary: Alexandra Ann Peisen Trustee: Stephen L. LaMantia		1.56
		The Jessica Reine Peisen 2011 Trust Beneficiary: Jessica Reine Peisen Trustee: Stephen L. LaMantia		1.56
		The Joseph V. LaMantia IV 2011 Trust Beneficiary: Joseph V. LaMantia IV Co-trustees: Greg LaMantia, Stephen L. LaMantia		3.9
		The Angela Reine LaMantia 2011 Trust Beneficiary: Angela Reine LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia		3.9
		The Gregory LaMantia, Jr. 2011 Trust Beneficiary: Gregory LaMantia, Jr. Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
		The Michael LaMantia 2011 Trust Beneficiary: Michael LaMantia Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6



OWNERSHIP, 361 MUY BUENA SUERTE, LLC.

Name of Racetrack: Gulf Coast Racing Page 3 of 4

Legal Entity: 361 Muy Buena Suerte, LLC

Information provided by: Gregory LaMantia Date: 01/09/2012

Full Legal Name of Owner	Percent of Ownership	IF OWNER IS QN ENTITY, Full Legal Name of Individual Owners/Representatives of Entity			
			The Nicholas LaMantia 2011 Trust Beneficiary: Nicholas LaMantia Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
			The Reine Ann LaMantia 2011 Trust Beneficiary: Reine Ann LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Morgan Jessica LaMantia 2011 Trust Beneficiary: Morgan Jessica LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Katherine Janice LaMantia 2011 Trust Beneficiary: Katherine Janice LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Samantha Lovell LaMantia 2011 Trust Beneficiary: Samantha Lovell LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Molly Joann LaMantia 2011 Trust Beneficiary: Molly Joann LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56

OWNERSHIP, 361 MUY BUENA SUERTE, LLC.

Name of Racetrack: Gulf Coast Racing Page 4 of 4

Legal Entity: 361 Muy Buena Suerte, LLC

Information provided by: Gregory LaMantia Date: 01/09/2012

Full Legal Name of Owner	Percent of Ownership	IF OWNER IS QN ENTITY, Full Legal Name of Individual Owners/Representatives of Entity		
		The Lauren Amanda LaMantia 2011 Trust Beneficiary: Lauren Amanda LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia		2.6
		The Mary Elizabeth LaMantia 2011 Trust Beneficiary: Mary Elizabeth LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia		2.6
		The Anthony LaMantia, Jr. 2011 Trust Beneficiary: Anthony LaMantia, Jr. Co-trustees: Greg LaMantia, Stephen L. LaMantia		2.6

MOLTZ | MORTON | O'TOOLE

2012 JAN 13 PM 5:21

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TEXAS RACING
COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

January 13, 2012

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

RE: Request for Approval of Transfer of Stephen L. LaMantia's Interests to the Stephen L. LaMantia Special Trust and for Approval of a Change in Management Positions

Dear Mr. Trout:

Through this letter, Muy Buena Suerte, Ltd. requests Commission approval of certain ownership and management interest changes relating to Stephen L. LaMantia in entities associated with Laredo Downs. As you are aware, Stephen L. LaMantia is a part owner of Muy Buena Suerte, Ltd. which, in turn, is the majority owner of LRP GP, LLC, holder of the license for Laredo Downs. In addition, Mr. Stephen L. LaMantia has been the President of LRP GP, LLC, the general partner of LRP Group, Ltd., and Vice President of Muy Buena Suerte, Ltd. Due to Mr. LaMantia's participation in National College Athletics Association ("NCAA") events as a football Official, the NCAA has requested that Mr. LaMantia cease his management activities in these entities and place his ownership interest into a blind trust. Pursuant to that request, on October 20, 2011, Stephen L. LaMantia, as grantor of the "Stephen L. LaMantia Special Trust" ("Blind Trust"), transferred all of his ownership interests in Muy Buena Suerte, Ltd. into the Blind Trust. Mr. Gregory LaMantia is the sole trustee of that Blind Trust. In Addition, Mr. Gregory LaMantia has taken over Mr. Stephen LaMantia's management positions relating to Laredo Downs.

As a result of the transfer, Mr. Stephen LaMantia's 5.2102 percent total beneficial interest in Laredo Downs is now held by the Stephen L. LaMantia Special Trust. In addition, Mr. Greg LaMantia has replaced Mr. Stephen LaMantia as Vice President of Muy Buena Suerte, Ltd. and as President of LRP GP, LLC. Please note that Mr. Greg LaMantia is an existing owner of Laredo Downs and has previously been subjected to DPS background checks.

We are forwarding the appropriate fee associated with this request under separate cover.

MOLTZ | MORTON | O'TOOLE
LLP

Chuck Trout, Executive Director
January 13, 2012
Page 2

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures
cc: Mark Fenner (w/o encls.)

MOLTZ | MORTON | O'TOOLE

2012 JAN 13 PM 5:21

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TEXAS RACING
COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

January 13, 2012

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

Via Hand Delivery

RE: Request for Approval of Ownership Interest Change; Laredo Downs

Dear Mr. Trout:

As you are aware, Muy Buena Suerte, Ltd. holds a 51.2559% interest in LRP Group, Ltd. which holds the license for Laredo Downs. Muy Buena Suerte, Ltd. is, in turn, owned by six members of the La Mantia family. These six owners of Muy Buena Suerte, Ltd. seek approval of a transfer of approximately thirty nine percent of their interest in Muy Buena Suerte, Ltd. to trusts for the benefit of their respective children/grandchildren. All of the trustees of these trusts are current approved owners of Muy Buena Suerte, Ltd. In addition, the ownership interests transferred into these trusts do not carry voting rights.

Enclosed you will find the following reports for Laredo Downs:

Attachment 1 - "Total Beneficial Interest" - A chart showing the ownership of LRP Group, Ltd. This is background information only as there is no change in this direct ownership.

Attachment 2 - "Ownership, Muy Buena Suerte, Ltd." - This chart shows the changes in ownership of Muy Buena Suerte, Ltd. and provides the name of the trustees and beneficiaries of the new trusts. The address, date of birth, driver's license number, and social security number of each trust beneficiary is shown on a Table submitted separately with the "Confidential" documents associated with this request.

Attachment 3 - "Changes to Ownership Interest in LRP Group, Ltd." - This chart shows the changes to the ownership of the licensee, LRP Group, Ltd. Also in Attachment 3 is a table entitled "Total Beneficial Interest," which shows the total interest held in Muy Buena Suerte, Ltd. plus the interest in LRP GP, LLC by the relevant individuals/trusts. LRP Group is seeking the Texas Racing Commission's approval for the changes reflected in these charts.

MOLTZ | MORTON | O'TOOLE
LLP

Chuck Trout, Executive Director
January 13, 2012
Page 2

Please note that each of the new trusts were formed via separate Trust Agreements. With the exception of the names of the Trustees and the Beneficiary, however, all of those agreements are identical. Similarly, each trust acquired its respective interest in Muy Buena Suerte, Ltd. through a separate "Unit Purchase Agreement". With the exception of the name of the trust, the interest purchased, and the consideration paid, however, each of these Agreements is identical. Under a separate confidential cover, I am forwarding a sample of the Trust Agreement and the Unit Purchase Agreement. I am also forwarding a confidential Table showing the consideration paid by each Trust for its respective interest in Muy Buena Suerte, Ltd.

The fee associated with the above request is being forwarded simultaneously under a separate cover.

LRP Group respectfully requests that these adjustments be placed on the agenda for the Commission's next public meeting.

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures

ATTACHMENT 1

LAREDO DOWNS

TOTAL BENEFICIAL INTEREST

(Limited Partnership Interest plus LRP GP, LLC)

NO CHANGE

Muy Buena Suerte, Ltd.	51.2559
Charles W. Graham, DVM	4.9500
Tyler Graham	2.1184
Gary Wolff	0.2692
George A. Wolff	3.0951
Phillip Adams	4.0000
Nick Serafy, Jr.	5.0548
Silver Creek Racing, Ltd.	5.1048
Straus 2003 Irrevocable Trust	9.8330
Ted G. Abrams	1.2232
Robert Johnson	3.2956
Paul W. Bryant, Jr.	4.9000
Sam M. Phelps	4.9000
LRP GP, LLC	N/A
Totals	100%

ATTACHMENT 2

OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs Page 1 of 7
 Legal Entity: Muy Buena Suerte, Ltd.
 Information provided by: Gregory LaMantia Date: January 13, 2012

Identify each individual or entity that has either gained or lost an ownership interest in the association since the date of your **2011** Ownership Structure Report. This would include changes in the ownership of a separate entity that owns an interest in the association.

Full Legal Name of Owner	Percent of Ownership	IF OWNER IS QN ENTITY, Full Legal Name of Individual Owners/Representatives of Entity			
		Original Owners	New Owners	Old %	New %
Muy Buena Suerte, Ltd. ¹	100	Joseph V. LaMantia, Jr.		16.66	10.16
		Joseph V. LaMantia, III		16.66	10.16
		Stephen L. LaMantia		16.66	0
		Gregory LaMantia		16.66	10.16
		Anthony LaMantia		16.66	10.16
		Verna Ann La Mantia Peisen, Trustee of the Val Peisen Management Trust		16.66	10.16
			The Stephen L. LaMantia Special Trust Beneficiary: Stephen L. LaMantia Trustee: Gregory LaMantia		10.16
			The Marty Peisen 2011 Trust Beneficiary: Marty Peisen Trustee: Stephen L. LaMantia		1.56

¹ To the best knowledge of LRP GP, LLC, the only ownership interests that have changed since the June 2011 report are within the Muy Buena Suerte, Ltd. entity.
 {65110/2/00037173.2} Original spreadsheet provided by Laredo Downs. Edited by TRC Staff to incorporate the transfer to The Stephen L. LaMantia Special Trust.

OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs

Page 2 of 7

Legal Entity: Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Grant Michael Peisen 2011 Trust Beneficiary: Grant Michael Peisen Trustee: Stephen L. LaMantia		1.56
			The Lisa Marie Peisen 2011 Trust Beneficiary: Lisa Marie Peisen Trustee: Stephen L. LaMantia		1.56
			The Alexandra Ann Peisen 2011 Trust Beneficiary: Alexandra Ann Peisen Trustee: Stephen L. LaMantia		1.56

OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs Page

3 of 7

Legal Entity: Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Jessica Reine Peisen 2011 Trust Beneficiary: Jessica Reine Peisen Trustee: Stephen L. LaMantia		1.56
			The Joseph V. LaMantia IV 2011 Trust Beneficiary: Joseph V. LaMantia IV Co-trustees: Greg LaMantia, Stephen L. LaMantia		3.9
			The Angela Reine LaMantia 2011 Trust Beneficiary: Angela Reine LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia		3.9

12

OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs

Page 4 of 7

Legal Entity: Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Gregory LaMantia, Jr. 2011 Trust Beneficiary: Gregory LaMantia, Jr. Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
			The Michael LaMantia 2011 Trust Beneficiary: Michael LaMantia Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
			The Nicholas LaMantia 2011 Trust Beneficiary: Nicholas LaMantia Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6

OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs Page 5 of 7

Legal Entity: Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia Date: January 13, 2012

			The Reine Ann LaMantia 2011 Trust Beneficiary: Reine Ann LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia	1.56
			The Morgan Jessica LaMantia 2011 Trust Beneficiary: Morgan Jessica LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia	1.56
			The Katherine Janice LaMantia 2011 Trust Beneficiary: Katherine Janice LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia	1.56



OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs

Page 6 of 7

Legal Entity: Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Samantha Lovell LaMantia 2011 Trust Beneficiary: Samantha Lovell LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Molly Joann LaMantia 2011 Trust Beneficiary: Molly Joann LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56



OWNERSHIP, MUY BUENA SUERTE, LTD.

Name of Racetrack: Laredo Downs Page 7 of 7

Legal Entity: Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia Date: January 13, 2012

			The Lauren Amanda LaMantia 2011 Trust Beneficiary: Lauren Amanda LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia	2.6
			The Mary Elizabeth LaMantia 2011 Trust Beneficiary: Mary Elizabeth LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia	2.6
			The Anthony LaMantia, Jr. 2011 Trust Beneficiary: Anthony LaMantia, Jr. Co-trustees: Greg LaMantia, Stephen L. LaMantia	2.6



LLP
RECEIVED
TEXAS RACING
COMMISSION
The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

January 13, 2012

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

Via Hand Delivery

RE: Tesoros Race Park - Request for Approval of Transfer of Stephen L. LaMantia's
Ownership Interests to the Stephen L. LaMantia Special Trust and for Approval of a
Change in Management Positions

Dear Mr. Trout:

Through this letter, Hidalgo Muy Buena Suerte, Ltd. requests Commission approval of certain ownership and management interest changes relating to Stephen L. LaMantia in entities associated with Tesoros Race Park. As you are aware, Stephen L. LaMantia is a part owner of Hidalgo Muy Buena Suerte, Ltd. which, in turn, is the majority owner of Valle de los Tesoros, Ltd., holder of the license for Tesoros Race Park. In addition, Mr. Stephen L. LaMantia has been the Vice President of Valle de Los Tesoros, LLC, the general partner of Valle de Los Tesoros, Ltd., and Vice President of Hidalgo Muy Buena Suerte, Ltd. Due to Mr. LaMantia's participation in National College Athletics Association ("NCAA") events as a football Official, the NCAA has requested that Mr. LaMantia cease his management activities in these entities and place his ownership interest into a blind trust. Pursuant to that request, on October 20, 2011, Stephen L. LaMantia, as grantor of the "Stephen L. LaMantia Special Trust" ("Blind Trust"), transferred all of his ownership interests in Hidalgo Muy Buena Suerte, Ltd. into the Blind Trust. Mr. Gregory LaMantia is the sole trustee of that Blind Trust. In Addition, Mr. Gregory LaMantia has taken over Mr. Stephen LaMantia's management positions relating to Tesoros Race Park.

As a result of the transfer, Mr. Stephen LaMantia's 6.0137 percent total beneficial interest in Tesoros Race Park is now held by the Stephen L. LaMantia Special Trust. In addition, Mr. Greg LaMantia has replaced Mr. Stephen LaMantia as Vice President of Hidalgo Muy Buena Suerte, Ltd and as Vice President of Valle de los Tesoros, LLC. Please note that Mr. Greg LaMantia is an existing owner of Tesoros Race Park and has previously been subjected to DPS background checks.

We are forwarding the appropriate fee associated with this request under separate cover.

MOLTZ | MORTON | O'TOOLE
LLP

Chuck Trout, Executive Director
January 13, 2012
Page 2

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures
cc: Mark Fenner (w/o encls.)

MOLTZ | MORTON | O'TOOLE

2012 JAN 13 PM 5:21

RECEIVED
TEXAS RACING
COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@mmotlaw.com

The Littlefield Building
106 East 6th Street, Suite 700
Austin, TX 78701
(512) 439-2170
Facsimile (512) 439-2165

January 13, 2012

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

Via Hand Delivery

RE: Request for Approval of Ownership Interest Change; Tesoros Race Park

Dear Mr. Trout:

As you are aware, Hidalgo Muy Buena Suerte, Ltd. holds a 59.1611% interest in Valle de los Tesoros, Ltd. which holds the license for Tesoros Race Park. Hidalgo Muy Buena Suerte, Ltd. is, in turn, owned by six members of the La Mantia family. These six owners of Hidalgo Muy Buena Suerte, Ltd. seek approval of a transfer of approximately thirty nine percent of their interest in Hidalgo Muy Buena Suerte, Ltd. to trusts for the benefit of their respective children/grandchildren. All of the trustees of these trusts are current approved owners of Hidalgo Muy Buena Suerte, Ltd. In addition, the ownership interests transferred into these trusts do not carry voting rights.

Enclosed you will find the following reports for Tesoros Race Park:

Attachment 1 - "Total Beneficial Interest" - A chart showing the ownership of Valle de los Tesoros, Ltd. This is background information only as there is no change in this direct ownership.

Attachment 2 - "Ownership, Hidalgo Muy Buena Suerte, Ltd." - This chart shows the changes in ownership of Hidalgo Muy Buena Suerte, Ltd. and provides the name of the trustees and beneficiaries of the new trusts. The address, date of birth, driver's license number, and social security number of each trust beneficiary is shown on a Table submitted separately with the "Confidential" documents associated with this request.

Attachment 3 - "Changes to Ownership Interest in Valle de los Tesoros, Ltd." - This chart shows the changes to the ownership of the licensee, Valle de los Tesoros, Ltd. Also in Attachment 3 is a table entitled "Total Beneficial Interest," which shows the total interest held in Hidalgo Muy Buena Suerte, Ltd. plus the interest in VDLT, GP, LLC by the relevant

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LLP

Chuck Trout, Executive Director
January 13, 2012
Page 2

individuals/trusts. Valle de los Tesoros, Ltd. is seeking the Texas Racing Commission's approval for the changes reflected in this chart.

Please note that each of the new trusts were formed via separate Trust Agreements. With the exception of the names of the Trustees and the Beneficiary, however, all of those agreements are identical. Similarly, each trust acquired its respective interest in Hidalgo Muy Buena Suerte, Ltd. through a separate "Unit Purchase Agreement". With the exception of the name of the trust, the interest purchased, and the consideration paid, however, each of these Agreements is identical. Under a separate confidential cover, I am forwarding a sample of the Trust Agreement and the Unit Purchase Agreement. I am also forwarding a confidential Table showing the consideration paid by each Trust for its respective interest in Hidalgo Muy Buena Suerte, Ltd.

The fee associated with the above request is being forwarded simultaneously under a separate cover.

Valle de los Tesoros respectfully requests that these adjustments be placed on the agenda for the Commission's next public meeting.

Please do not hesitate to contact me with any questions and thank you for your consideration.

Sincerely,



William J. Moltz

WJM/pjp
Enclosures

ATTACHMENT 1

TESOROS RACE PARK

TOTAL BENEFICIAL INTEREST

(Limited Partnership Interest plus Valle de los Tesoros, LLC)

NO CHANGE

Hidalgo Muy Buena Suerte, Ltd.	59.1611
Charles W. Graham, DVM	2.5755
Tyler Graham	0.0477
George A. Wolff	1.5126
Phillip Adams	4.0000
Nick Serafy Jr.	16.8039
Silver Creek Racing, Ltd.	2.5074
Straus 2003 Irrevocable Trust	0.2327
Robert Johnson	3.3591
Paul W Bryant, Jr.	4.9000
Sam M. Phelps	4.9000
Valle de los Tesoros, LLC	N/A
Total	100.0000%

ATTACHMENT 2

OWNERSHIP, HIDALGO MUY BUENA SUERTE, LTD.

Name of Racetrack: Tesoros Race Park Page 1 of 4

Legal Entity: Hidalgo Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia Date: January 13, 2012

Identify each individual or entity that has either gained or lost an ownership interest in the association since the date of your **2011** Ownership Structure Report. This would include changes in the ownership of a separate entity that owns an interest in the association.

Full Legal Name of Owner	Percent of Ownership	IF OWNER IS QN ENTITY, Full Legal Name of Individual Owners/Representatives of Entity			
		Original Owners	New Owners	Old %	New %
Hidalgo Muy Buena Suerte, Ltd.	100	Joseph V. LaMantia, Jr.		16.66	10.16
		Joseph V. LaMantia, III		16.66	10.16
		Stephen L. LaMantia		16.66	0
		Gregory LaMantia		16.66	10.16
		Anthony LaMantia		16.66	10.16
		Verna Ann La Mantia Peisen, Trustee of the Val Peisen Management Trust		16.66	10.16
			The Stephen L. LaMantia Special Trust Beneficiary: Stephen L. LaMantia Trustee: Gregory LaMantia		10.16
			The Marty Peisen 2011 Trust Beneficiary: Marty Peisen Trustee: Stephen L. LaMantia		1.56
			The Grant Michael Peisen 2011 Trust Beneficiary: Grant Michael Peisen Trustee: Stephen L. LaMantia		1.56



OWNERSHIP, HIDALGO MUY BUENA SUERTE, LTD.

Name of Racetrack: Tesoros Race Park

Page 2 of 4

Legal Entity: Hidalgo Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Lisa Marie Peisen 2011 Trust Beneficiary: Lisa Marie Peisen Trustee: Stephen L. LaMantia	1.56
			The Alexandra Ann Peisen 2011 Trust Beneficiary: Alexandra Ann Peisen Trustee: Stephen L. LaMantia	1.56
			The Jessica Reine Peisen 2011 Trust Beneficiary: Jessica Reine Peisen Trustee: Stephen L. LaMantia	1.56
			The Joseph V. LaMantia IV 2011 Trust Beneficiary: Joseph V. LaMantia IV Co-trustees: Greg LaMantia, Stephen L. LaMantia	3.9
			The Angela Reine LaMantia 2011 Trust Beneficiary: Angela Reine LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia	3.9



OWNERSHIP, HIDALGO MUY BUENA SUERTE, LTD.

Name of Racetrack: Tesoros Race Park

Legal Entity: Hidalgo Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Gregory LaMantia, Jr. 2011 Trust Beneficiary: Gregory LaMantia, Jr. Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
			The Michael LaMantia 2011 Trust Beneficiary: Michael LaMantia Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
			The Nicholas LaMantia 2011 Trust Beneficiary: Nicholas LaMantia Co-trustees: Stephen L. LaMantia, Anthony LaMantia		2.6
			The Reine Ann LaMantia 2011 Trust Beneficiary: Reine Ann LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Morgan Jessica LaMantia 2011 Trust Beneficiary: Morgan Jessica LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56

2h

OWNERSHIP, HIDALGO MUY BUENA SUERTE, LTD.

Name of Racetrack: Tesoros Race Park

Legal Entity: Hidalgo Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Katherine Janice LaMantia 2011 Trust Beneficiary: Katherine Janice LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Samantha Lovell LaMantia 2011 Trust Beneficiary: Samantha Lovell LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Molly Joann LaMantia 2011 Trust Beneficiary: Molly Joann LaMantia Co-trustees: Greg LaMantia, Anthony LaMantia		1.56
			The Lauren Amanda LaMantia 2011 Trust Beneficiary: Lauren Amanda LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia		2.6
			The Mary Elizabeth LaMantia 2011 Trust Beneficiary: Mary Elizabeth LaMantia Co-trustees: Greg LaMantia, Stephen L. LaMantia		2.6

bh

OWNERSHIP, HIDALGO MUY BUENA SUERTE, LTD.

Name of Racetrack: Tesoros Race Park

Page 5 of 4

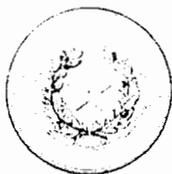
Legal Entity: Hidalgo Muy Buena Suerte, Ltd.

Information provided by: Gregory LaMantia

Date: January 13, 2012

			The Anthony LaMantia, Jr. 2011 Trust Beneficiary: Anthony LaMantia, Jr. Co-trustees: Greg LaMantia, Stephen L. LaMantia		2.6
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50



Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

To: Mark Fenner, General Counsel

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

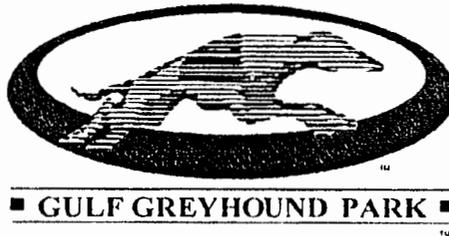
Date: March 30, 2012

Subject: Totalisator Contract between Gulf Greyhound Partners, Ltd. and United Tote

Attached to this memorandum is a new tote contract between Gulf Greyhound Partners, Ltd. and United Tote Company that has been requested to be placed on the April 10, 2012, Commission Agenda for consideration. Staff has completed a review of the new contract and finds it to be in compliance with the Texas Racing Act and the Texas Rules of Racing.

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

Cc: Chuck Trout, Executive Director
Curley Trahan, Compliance Auditor



Sally B. Briggs
General Manager

March 27, 2012

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

Dear Mr. Trout:

Enclosed is the signed Amendment to Service Contract between Gulf Greyhound Partners, Ltd. and United Tote Company. This Agreement continues the service provided by United Tote Company for three (3) years.

Please place this request on the Agenda for the next Texas Racing Commission meeting.

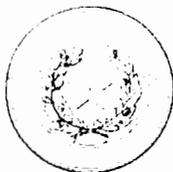
Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Sally B. Briggs".

Sally B. Briggs
General Manager

Enclosure (1)



Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

To: Mark Fenner, General Counsel

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

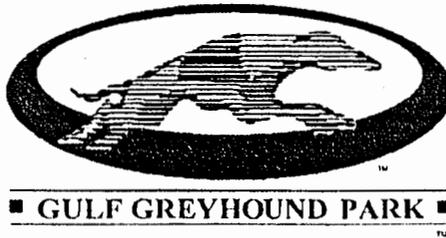
Date: March 30, 2012

Subject: Totalisator Contract between Gillespie County Fair and United Tote

Attached to this memorandum is an amendment to the tote contract between Gillespie County Fair and United Tote Company that has been requested to be placed on the April 10, 2012, Commission Agenda for consideration. The amendment to the contract extends the previously approved contract through January 31, 2015. Staff has completed a review of the amendment and finds it to be in compliance with the Texas Racing Act and the Texas Rules of Racing.

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

Cc: Chuck Trout, Executive Director
Curley Trahan, Compliance Auditor



Sally B. Briggs
General Manager

March 27, 2012

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

Dear Mr. Trout:

Enclosed is the signed Fifth Amendment to Service Contract between Gillespie County Fair and Festivals Association, Inc. and United Tote Company. This Amendment is an addendum to the contract dated March 15, 2004 approved by the Texas Racing Commission and continues the service provided by United Tote Company for three (3) years.

Please place this request on the Agenda for the next Texas Racing Commission meeting.

Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Sally B. Briggs".

Sally B. Briggs
General Manager

Enclosure (1)

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 **Sec. 309.51. Designation of Active and Inactive Racetrack**

2 **Licenses**

3 (a) Initial Designation. The Commission shall designate a
4 racetrack license as either active or inactive as those
5 terms are defined in subsection (b). The Commission shall
6 make the initial designation for each racetrack license not
7 later than September 1, 2012.

8 (b) Definitions.

9 (1) "Active-Operating" means the license holder
10 conducted live racing events at the racetrack during the
11 previous State Fiscal Year and has been granted future live
12 race dates.

13 (2) "Active-Other" means the license holder has
14 applied for and received pending live race dates under
15 §303.41, Allocation of Race Dates, and taken the following
16 actions to demonstrate good faith efforts to conduct live
17 racing:

18 (A) is presently conducting pre-opening
19 simulcasting;

20 (B) has demonstrated that the conduct of
21 simulcast and live racing at its racetrack facility is
22 imminent by completing the following:

23 (i) purchasing the real property of the
24 designated racetrack site;

25 (ii) securing Commission approval of the
26 racing facility's construction plans;

27 (iii) securing all permits and utilities
28 necessary for the construction of the racing
29 facilities;

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 (iv) providing to the Commission executed
2 contracts for the construction of the racing
3 facilities; and

4 (v) providing to the Commission a
5 construction and operations management schedule
6 demonstrating that simulcasting will begin within
7 four months of the designation and that the
8 facilities will be ready to conduct live racing
9 by the beginning of the approved live race dates;

10 or

11 (C) voluntarily providing a bond under subsection
12 (e) of this section to ensure that the license holder
13 conducts pre-opening simulcasting and completes the
14 pending allocated live race dates.

15 (3) "Inactive" means the license holder does not meet
16 the requirements for the racetrack license to be designated
17 as Active-Operating or Active-Other.

18 (c) Subsequent Designation. After the initial racetrack
19 designation is made under subsection (a) of this section,
20 the Commission may change the designation of the racetrack
21 license at any time if the facts that supported the current
22 designation change.

23 (d) Racetrack Reviews.

24 (1) Racetracks designated "Active-Operating" or
25 "Active-Other" will undergo an ownership and management
26 review every five years pursuant to §6.06(k) of the Act.

27 (2) Racetracks designated "Inactive" will undergo an
28 annual review described by §309.52 of this Chapter.

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 (e) Bonds.

2 (1) To be designated as Active-Other under
3 subparagraph (b) (2) (C) of this section, a license holder
4 shall submit a bond by September 1 of the State Fiscal Year
5 for which it is offered.

6 (2) The amount of the bond for the State Fiscal Year
7 beginning September 1, 2012, and each year thereafter is
8 \$400,000.

9 (3) Return or Forfeiture of Bond.

10 (A) If the racetrack conducts pre-opening
11 simulcasting during the first fiscal year of the bond,
12 the bond shall be retained for an additional fiscal
13 year or until the racetrack completes its live race
14 dates. Upon successful completion of all of the
15 racetrack's live race dates allocated for the first
16 two fiscal years of the bond, the Commission shall
17 return the bond to the license holder.

18 (B) If the racetrack does not conduct pre-opening
19 simulcasting during the initial fiscal year of the
20 bonding period, the bond shall be forfeited on August
21 31 of the same fiscal year.

22 (C) If the racetrack conducts pre-opening
23 simulcasting during the first fiscal year but fails to
24 conduct all of its allocated live race dates during
25 the first two fiscal years of the bond, the bond shall
26 be forfeited on August 31 of the second fiscal year.

27 (D) A bond is automatically forfeited on the date
28 provided in this subsection unless the Commission
29 takes action in an open meeting to return the bond or
30 extend the date of automatic forfeiture.

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 (E) For purposes of this paragraph, live race
2 dates do not include those race dates that have been
3 excused by the executive secretary under §303.41(h) of
4 Chapter 303, General Provisions.

5 (4) The bond of a horse racetrack that is forfeited
6 under this section shall accrue to the Escrowed Purse
7 Account under §321.509 of Chapter 321 and shall be
8 distributed in accordance with that section. The bond of a
9 greyhound racetrack that is forfeited under this section
10 shall accrue to the state greyhound breed registry and be
11 distributed through the Accredited Texas Bred Program.

12 (5) If an Active-Other racetrack forfeits a bond under
13 this section, the Commission shall review and may change
14 the license's designation at a regularly scheduled meeting
15 to be held within the following four months of the bond
16 forfeiture.

17 (f) Failure to Conduct Granted Live Race Dates.
18 Except as excused by the executive secretary under
19 §303.41(h) of Chapter 303, General Provisions, if an
20 Active-Operating or an Active-Other racetrack fails to
21 conduct any live race dates granted to it by the
22 Commission, the Commission shall review and may change the
23 license's designation at a regularly scheduled meeting to
24 be held within the following four months. This subsection
25 does not apply to an Active-Other racetrack that has
26 provided a bond under subsection (e) of this section.

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 **Sec. 309.52. Review and Renewal of Inactive Racetrack**
2 **Licenses.**

3 (a) The Commission shall annually review each inactive
4 racetrack license. At the conclusion of each review, the
5 Commission may:

6 (1) designate the license as Active-Operating;

7 (2) designate the license as Active-Other;

8 (3) renew the license as Inactive; or

9 (4) refer the inactive racetrack license to the State

10 Office of Administrative Hearings for an evidentiary
11 hearing and Proposal for Decision as to whether the
12 Commission should refuse to renew the license.

13 (b) Notice of Review

14 The executive secretary shall provide written notice to an
15 inactive license holder that the license holder must file
16 an application for renewal. Such notice must be provided
17 by certified or registered mail no later than June 1 of
18 each year the license remains in effect and is designated
19 as inactive. The first such notice shall be sent by the
20 executive secretary by June 1, 2013. The notice must
21 specify the procedure for filing an application for renewal
22 and the information to be included in the application. The
23 application for renewal shall be filed on or before July 1
24 following the receipt of the notice. The first application
25 for renewal shall be filed by July 1, 2013, with additional
26 applications filed annually on July 1 thereafter. The
27 executive secretary may extend the deadline for filing the
28 renewal application. The timely filing of an application
29 for renewal extends the license until the Commission renews
30 or refuses to renew the license. If an inactive racetrack

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 license holder does not file a timely application for
2 renewal, the Commission may either renew the license or
3 refer the license to the State Office of Administrative
4 Hearings for an evidentiary hearing and Proposal for
5 Decision as to whether the Commission should refuse to
6 renew the license.

7 (c) Application for Renewal.

8 (1) Each inactive racetrack license holder must submit
9 an application for renewal on a form prescribed by the
10 executive secretary.

11 (2) The applicant must submit one original and two
12 copies of the application and any supplemental documents.

13 (3) The applicant must swear before a notary public to
14 the truth and validity of the information in the
15 application and its supplemental documents. If the
16 applicant is not an individual, the chief executive officer
17 of the applicant must swear before a notary public to the
18 truth and validity of the information in the application
19 and its supplemental documents.

20 (4) The applicant must state the name, address, and
21 telephone number of an individual designated by the
22 applicant to be the primary contact person for the
23 Commission during the review and renewal process.

24 (d) Renewal Criteria. In determining whether to renew an
25 inactive racetrack license, the Commission shall consider:

26 (1) the inactive racetrack license holder's:

27 (A) financial stability;

28 (B) ability to conduct live racing;

29 (C) ability to construct and maintain a racetrack
30 facility;

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 (D) other good faith efforts to conduct live racing;

2 and

3 (2) other necessary factors considered in the issuance
4 of the original license.

5 (3) For purposes of this section, the Commission will
6 consider, but is not limited to, the following actions as
7 evidence that a license holder is making good faith efforts
8 to conduct live racing:

9 (A) securing sufficient financial commitments to
10 fund construction of the racetrack facility;

11 (B) purchasing the real property of the designated
12 location for which the racetrack license was granted;

13 (C) entering into contracts for the construction of
14 the simulcasting and racetrack facilities;

15 (D) securing Commission approval of construction
16 plans;

17 (E) securing permits from regulatory authorities
18 concerning pre-construction matters such as utilities
19 and road improvements; and

20 (F) beginning and sustaining construction of the
21 simulcasting and live racing facilities.

22 (e) Nonrenewal. The Commission may refuse to renew an
23 inactive racetrack license if, after notice and a hearing,
24 the Commission determines that:

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

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

29 (f) For purposes of this section, the Commission will
30 consider, but is not limited to, the following factors as

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 evidence that renewal of a license is not in the best
2 interests of the racing industry or the public:

3 (1) the presence of any ground for denial, revocation,
4 or suspension of a license under §6.06 or §6.0603 of the
5 Act;

6 (2) forfeiture of any bond by an inactive racetrack
7 license holder that was required by the Commission;

8 (3) failure by an inactive racetrack license holder to
9 comply with any condition or order placed on the license by
10 the Commission;

11 (4) failure to maintain the ownership or leasehold
12 interest in the real property constituting the designated
13 location; or

14 (5) any factor identified in subsection (a) of §6.04
15 of the Act.

16 (g) The presence of any particular factor or factors under
17 this section does not require the Commission to renew or
18 refuse to renew an inactive racetrack license.

19 (h) Bonds. The Commission may require an inactive racetrack
20 license holder to provide a bond under §6.032 of the Act to
21 ensure completion of any or all of the factors listed in
22 subsection (d) of this section. The amount and terms of
23 the bond shall be determined by the Commission in
24 accordance with §309.6 of this Chapter.

Chapter 309. Racetrack Licenses and Operations

Subchapter A. Racetrack Licenses

Subdivision 2. Active and Inactive Racetrack Licenses

1 (i) Review Fees.

2 (1) Each inactive racetrack license must submit a
3 review fee with its application for renewal. The review
4 fee is composed of a variable processing charge. The
5 processing charge is the amount needed by the Commission to
6 cover the administrative and enforcement costs of
7 processing the request for renewal, including any costs
8 associated with processing a hearing at the State Office of
9 Administrative Hearings. A license holder must pay the
10 initial review fee contemporaneously with filing the
11 application for renewal. The Commission shall hold the
12 review fee in the state treasury in a suspense account. The
13 Commission may transfer the processing funds due to the
14 Commission to the Texas Racing Commission Fund as costs are
15 incurred. If the actual cost to the Commission of
16 processing the request exceeds the amount deposited for the
17 applicable charge, the requestor shall pay the remaining
18 amount not later than 10 business days after receipt of a
19 bill from the Commission. If the costs of processing the
20 request are less than the amount of the charge, the
21 Commission shall refund the excess not later than 10
22 business days after the Commission's decision on the
23 request becomes final.

24 (2) The initial review fee for an inactive racetrack
25 license is \$5,000. If the Commission refers an application
26 to the State Office of Administrative Hearings under
27 subsection (a) of this section, the applicant for renewal
28 shall submit an additional \$50,000 review fee within 30
29 days of the referral.

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 Title 16, Part VIII
 Chapter 313. Officials and Rules of Horse Racing
 Subchapter D. Running of the Race
 Division 1. Jockeys

1 **Sec. 313.409. Jockey Mount Fees**

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

3 (c) In the absence of a written agreement, the following jockey
 4 mount fees apply:

Purse	Winning Mount	Second Mount	Third Mount	Fourth Mount	Losing Mount
Up to \$4,999	10% Win Purse	\$70	\$60	\$58	\$50
\$5,000-9,999	10% Win Purse	\$80	\$65	\$63	\$55
\$10,000-14,999	10% Win Purse	5% Place Purse	\$75	\$68	\$60
\$15,000-24,999	10% Win Purse	5% Place Purse	5% Show Purse	\$75	\$70
\$25,000-49,999	10% Win Purse	5% Place Purse	5% Show Purse	\$80	\$75
\$50,000-99,999	10% Win Purse	5% Place Purse	5% Show Purse	5% Fourth Place Purse	\$90
\$100,000 and up	10% Win Purse	5% Place Purse	5% Show Purse	5% Fourth Place Purse	\$110

Purse	Winning Mount	Second Mount	Third Mount	Losing Mount
\$599 & under	\$33	\$33	\$33	\$33
\$600-699	\$36	\$33	\$33	\$33
\$700-999	10% Win Purse	\$33	\$33	\$33
\$1,000-1,499	10% Win Purse	\$33	\$33	\$33
\$1,500-1,999	10% Win Purse	\$35	\$33	\$33
\$2,000-3,499	10% Win Purse	\$45	\$40	\$38
\$3,500-4,999	10% Win Purse	\$55	\$45	\$40
\$5,000-9,999	10% Win Purse	\$65	\$50	\$45

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\$10,000-14,999	10% Win Purse	5% Place Purse	5% Show Purse	\$50
\$15,000-24,999	10% Win Purse	5% Place Purse	5% Show Purse	\$55
\$25,000-49,999	10% Win Purse	5% Place Purse	5% Show Purse	\$65
\$50,000-99,999	10% Win Purse	5% Place Purse	5% Show Purse	\$80
\$100,00 and up	10% Win Purse	5% Place Purse	5% Show Purse	\$105

5 (d) (No change.)

6 (e) If the jockey does not weigh out because the owner or
7 trainer replaces the jockey with another jockey, the owner or
8 trainer shall pay the appropriate fee to each jockey engaged for
9 the race unless otherwise authorized by the stewards. The fee
10 to be paid is equal to that earned by the jockey who rode the
11 horse.

12 (f)-(g) (No change.)

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

1 **Sec. 313.103. Eligibility Requirements**

2 (a) To be entered in a race, a horse must:

3 (1) be properly registered with the appropriate national
4 breed registry;

5 (2) be eligible to enter the race under the conditions of
6 the race; and

7 (3) if the horse is to start for the first time:

8 (A) be approved by a licensed starter for proficiency
9 in the starting gate within 90 days of the race entered; and

10 (B) have two published workouts, one within 90 days
11 and one within 60 ~~45~~ days of the race entered.

12 (b)-(e) (No change.)

13 (f) Except as otherwise provided by this section for first-time
14 starters, to be eligible to start in a race, a horse must have
15 either started in a race or had a published workout in the 60-
16 day ~~45-day~~ period preceding a race.

17 (g) To be entered in a race around a turn for the first time, a
18 quarter horse must:

19 (1) have a published workout around a turn at a minimum
20 distance of 660 yards in the 60-day ~~45-day~~ period preceding the
21 race; and

22 (2) be approved by the clocker, the outrider and, if the
23 horse is worked from the gate, the starter.

24 (h) To be eligible to start in a race, a horse must be properly
25 tattooed and the horse's registration certificate, or
26 certificates if dually registered, showing the tattoo number of
27 the horse must be on file with the racing secretary before
28 scratch time for the race, unless the stewards authorize the
29 certificate or certificates to be filed at a later time.

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

- 1 ~~(i) A horse may not participate as a member of more than one~~
- 2 ~~breed at the same race meeting, even though the horse may be~~
- 3 ~~registered in more than one breed registry.~~

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

1 **Sec. 313.101, Entry Procedure**

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

3 (e) A horse which, during the 12-month period preceding the date
4 of a race, has started in a race where past performance lines
5 are available, but which are not on file with the Daily Racing
6 Form or Equibase ~~the American Quarter Horse Association~~, may not
7 be entered at a racetrack licensed in this state unless the
8 owner of the horse has furnished performance records to the
9 racing secretary at the time of entry.

10 (f) A person entering a dually registered Accredited Texas Bred
11 horse in a mixed breed conditioned race shall declare during
12 entry which breed the horse shall run as for purposes of Breeder
13 Awards eligibility.

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

1 **Sec. 313.104. Registration Certificates**

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

3 (f) If a horse is dually registered and entered in a claiming
4 race, both certificates of registration must be in the racing
5 secretary's office.

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

1 **Sec. 313.306. Transfer of Claimed Horse**

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

3 (c) The registration certificate of a claimed horse, and both
4 certificates of a dually registered claimed horse, shall
5 transfer to the successful claimant.

6 (d)~~(e)~~ The engagements of a claimed horse automatically transfer
7 to the new owner. A claimed horse is ineligible for entry in a
8 future race unless the entry is made on behalf of the new owner.

9 (e)~~(d)~~ A horse may not be delivered to a successful claimant
10 without written authorization from a steward or a designee of
11 the stewards.

Texas Racing Commission
Title 16, Part VIII
Chapter 303. General Provisions
Subchapter D. Texas Bred Incentive Programs General Provisions
Program for Horses

1 **Sec. 303.97. Dually Registered Horses**

2 Dually registered horses that are eligible for Accredited Texas
3 Bred Incentive program awards are not eligible for awards from
4 more than one recognized breed registry per race.

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

1 **Sec. 307.67. Appeal to the Commission**

2 (a) (No change.)

3 (b) Filing Procedure.

4 (1) An appeal must be in writing in a form prescribed by
5 the executive secretary. An appeal from a ruling of the
6 stewards or racing judges must be filed not later than 5:00 p.m.
7 of the third calendar day after the day the person is informed
8 of the ruling by the stewards or racing judges. An appeal from
9 the modification of a penalty by the executive secretary must be
10 filed not later than 5:00 p.m. of the fifth calendar day after
11 the day the person is informed of the penalty modification. The
12 appeal must be filed at the main Commission offices in Austin or
13 with the stewards or racing judges at a Texas pari-mutuel
14 racetrack where a live race meet is being conducted. The appeal
15 must be accompanied by a cash bond in the amount of \$150, to
16 defray the costs of the court reporter and transcripts required
17 for the appeal. The bond must be in the form of a cashier's
18 check or money order.

19 (2) (No change.)

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

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

1 **Sec. 307.69. Review by Executive Secretary Action by Commission**

2 ~~On its own motion or on request by the executive secretary, the~~
3 ~~Commission may reverse a decision of the stewards or racing~~
4 ~~judges, modify a penalty imposed by the stewards or racing~~
5 ~~judges, or reinstate a person's license and rescind the penalty.~~

6 (a) Within fourteen days after a board of stewards or judges
7 issues a written ruling under Section 307.63 of this title
8 (relating to Rulings), the executive secretary may review the
9 ruling and modify the penalty. A penalty modified by the
10 executive secretary may include a fine not to exceed \$10,000, a
11 suspension not to exceed two years, or both a fine and a
12 suspension.

13 (b) The decision to modify a penalty must be on a form that
14 includes:

15 (1) the full name, license type, and license number of the
16 person who is the subject of the penalty modification;

17 (2) the original ruling number and the date the ruling was
18 issued by the stewards or judges;

19 (3) the date the modified penalty was issued by the
20 executive secretary;

21 (4) the modified penalty imposed;

22 (5) a statement of the reason for modifying the penalty;

23 and

24 (6) a statement informing the person of the person's right
25 to appeal the ruling, with the modified penalty, to the
26 Commission.

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

1 (c) In determining whether to modify a penalty, the executive
2 secretary may consider, but is not limited to, the following
3 reasons:

4 (1) to further the uniform and consistent treatment of
5 similarly situated individuals; and

6 (2) to remedy rulings where the penalties available to the
7 stewards or judges are insufficient to adequately address the
8 violation.

9 (d) The decision to modify a penalty must be signed by the
10 executive secretary.

11 (e) The executive secretary shall provide written notice to each
12 person who is subject to a penalty modification decision under
13 this section by:

14 (1) sending by certified mail, return receipt requested, a
15 copy of the decision to the person's last known address, as
16 found in the Commission's licensing files; or

17 (2) personal service by any Commission employee.

18 (f) An appeal of a ruling whose penalty has been modified under
19 this section must be filed in accordance with Section 307.67 of
20 this title (relating to Appeals to the Commission.)

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

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

2 (a) Fingerprint Requirements and Procedure.

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

4 (4) A person who desires to renew an occupational license
5 must:

6 (A) have submitted a set of fingerprints pursuant to this
7 section within the three years prior to renewal; or

8 (B) provide a new set of fingerprints for classification
9 by the Federal Bureau of Investigation; or

10 (C) if the applicant's original fingerprints are
11 classified and on file with the Department of Public Safety, the
12 applicant must pay a processing fee of \$34.25 to resubmit the
13 original fingerprints in lieu of submitting another set of
14 fingerprints under paragraph (6) of this subsection.

15 (5) (No change.)

16 (b) (No change.)

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

1 **Sec. 311.103. Kennel Owners**

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

3 (e) Restrictions on Placement in Kennels. A person who owns an
4 interest in a kennel booked at one Texas racetrack may not:

5 (1) own an interest in another kennel booked at that
6 racetrack; ~~or~~

7 (2) be residentially domiciled with a person who owns an
8 interest in another kennel booked at that racetrack; or

9 (3) own an interest in a greyhound that is racing out of
10 another kennel booked at that racetrack.

11 (f) (No change.)