



**TEXAS RACING COMMISSION**

**P. O. Box 12080**

**Austin, TX 78711-2080**

**(512) 833-6699**

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Texas Racing Commission  
Tuesday, April 11, 2017  
10:30 a.m.  
Texas Animal Health Commission  
2105 Kramer Lane  
Austin, Texas 78758

**AGENDA**

**I. CALL TO ORDER**

Roll Call

**II. CEREMONIAL ITEM**

Welcome of Commissioner Steven Mach

**III. PUBLIC COMMENT**

**IV. GENERAL BUSINESS**

Discussion and consideration of the following matters:

A. Reports by the Executive Director and Staff regarding Administrative Matters

1. Budget and Finance Update
2. Report on Wagering Statistics
3. Inspection and Enforcement Reports

Discussion, consideration and action on the following matter:

B. Designation by the Chair of an Ad Hoc Committee on Finance

**V. PROCEEDINGS ON RACETRACKS**

Discussion, consideration and possible action on the following matter:

Designation by the Commission of an Application Period for Race Dates under Commission Rule 303.41

**VI. PROCEEDINGS ON OCCUPATIONAL LICENSES**

Discussion, consideration and possible action on the following matter:

The Proposal for Decision in SOAH No. 476-17-0121; In Re: The Appeal of Roman Chapa from Stewards' Ruling SHRP 4840

**VII. PROCEEDINGS ON RULEMAKING**

Discussion, consideration and possible action on the following matters:

A. Rule Proposals. If approved by the Commission, these proposals will be published in the Texas Register for public comment.

1. Proposal to Amend Rule 311.5, License Types
2. Proposal to Amend Rule 313.24, Records and Reports

B. Rule Adoptions. These proposals were published in the March 10, 2017, edition of the *Texas Register* and are eligible for adoption.

1. Adoption of Amendment to Rule 309.154, Stable or Kennel Area
2. Adoption of Amendment to Rule 311.105, Jockeys
3. Adoption of Amendment to Rule 311.302, Subject to Testing
4. Adoption of Amendment to Rule 311.304, Taking of Specimens
5. Adoption of Amendment to Rule 311.308, Penalties
6. Adoption of Amendment to Rule 313.501, Training Facility License
7. Adoption of Amendment to Rule 315.1, Required Officials

**VIII. EXECUTIVE SESSION**

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

- A. Under Government Code Sec. 551.071(1), the Commission may open an executive session to seek the advice of its attorney regarding pending or contemplated litigation, or regarding a settlement offer.
- B. Under Government Code Sec. 551.071(2), the Commission may open an executive session to discuss all matters identified in this agenda where the commission seeks the advice of its attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas. This may include, but is not

limited to, legal advice regarding the Open Meetings Act, the Administrative Procedures Act, and the Texas Racing Act.

- C. Under Government Code §551.074(a)(1), the Commission may open an executive session to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the executive director.
- D. 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.

**IX. SCHEDULING OF NEXT COMMISSION MEETING**

**X. ADJOURN**

### **III. GENERAL BUSINESS**

- B. Reports by the Executive Director and Staff regarding Administrative Matters
  - 1) Budget and Finance Update
  - 2) Report on Wagering Statistics
  - 3) Inspection and Enforcement Reports

# Texas Racing Commission

FYE 08/31/2017

OBS-1

Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Program Description	FY 2017 Annual Budget	FY 2017 Expended Thru 2/28/2017	FY 2017 Unexpended Bal 8/31/2017	With 50.0% of Year Lapsed % of Budget Expended
<i>Appropriated</i> A.1.1.	- FTE's = 4.50 <u>Regulate Racetrack Owners</u>				
Base Appr =	1001 Salaries and Wages	360,810.39	176,228.22	184,582.17	48.84%
\$ 359,975.00	1002 Other Personnel Cost	10,311.51	4,738.05	5,573.46	45.95%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 8,218.11	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 368,193.11	2005 Travel	8,250.00	592.01	7,657.99	7.18%
Budgeted =	2006 Rent Building	-	-	-	
\$ 386,680.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	7,308.10	2,233.56	5,074.54	30.56%
18,486.90	CB Computer Equipment	-	-	-	
5.14%	<b>Total Strategy A.1.1.</b>	<b>386,680.00</b>	<b>183,791.84</b>	<b>202,888.16</b>	<b>47.53%</b>
<i>Appropriated</i> A.2.1.	0 FTE's = 0 <u>Texas Bred Incentive</u>				
	ATB Money Expended	3,475,000.00	1,358,823.89	2,116,176.11	39.10%
3,475,000.00	<b>Total Strategy A.2.1.</b>	<b>3,475,000.00</b>	<b>1,358,823.89</b>	<b>2,116,176.11</b>	<b>39.10%</b>
<i>Appropriated</i> A.3.1.	(1.90) FTE's = 7.40 <u>Supervise Racing and Licensees</u>				
Base Appr =	1001 Salaries and Wages	423,862.00	199,564.34	224,297.66	47.08%
\$ 692,204.00	1002 Other Personnel Cost	29,625.92	8,555.94	21,069.98	28.88%
Sup Appr =	2001 Prof Fees and Services	25,000.00	11,250.00	13,750.00	45.00%
\$ 8,232.86	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 700,436.86	2005 Travel	60,000.00	17,761.31	42,238.69	29.60%
Budgeted =	2006 Rent Building	-	-	-	
\$ 543,348.01	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	4,860.10	2,120.42	2,739.68	43.63%
(157,088.85)	CB Computer Equipment	-	-	-	
-22.69%	<b>Total Strategy A.3.1.</b>	<b>543,348.01</b>	<b>239,252.01</b>	<b>304,096.00</b>	<b>44.03%</b>
<i>Appropriated</i> A.3.2.	0.15 FTE's = 3.45 <u>Monitor Occupational Licensee Act.</u>				
Base Appr =	1001 Salaries and Wages	199,386.59	127,282.14	72,104.45	63.84%
\$ 243,522.00	1002 Other Personnel Cost	14,519.76	9,566.84	4,952.92	65.89%
Sup Appr =	2001 Prof Fees and Services	1,500.00	1,532.00	(32.00)	102.13%
\$ -	2003 Consumables	800.00	-	800.00	0.00%
Total Appr =	2004 Utilities	-	-	-	
\$ 243,522.00	2005 Travel	34,000.00	12,262.59	21,737.41	36.07%
Budgeted =	2006 Rent Building	-	-	-	
\$ 252,473.45	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	2,267.09	896.99	1,370.10	39.57%
\$ 8,951.45	CB Computer Equipment	-	-	-	
3.68%	<b>Total Strategy A.3.2.</b>	<b>252,473.45</b>	<b>151,540.56</b>	<b>100,932.89</b>	<b>60.02%</b>
<i>Appropriated</i> A.4.1.	0.50 FTE's = 3.60 <u>Inspect and Provide Emerg. Care</u>				
Base Appr =	1001 Salaries and Wages	221,150.55	108,991.06	112,159.49	49.28%
\$ 341,149.00	1002 Other Personnel Cost	5,065.25	3,482.28	1,582.97	68.75%
Sup Appr =	2001 Prof Fees and Services	110,000.00	75,010.88	34,989.12	68.19%
\$ 2,121.60	2003 Consumables	500.00	32.69	467.31	6.54%
Total Appr =	2004 Utilities	-	-	-	
\$ 343,270.60	2005 Travel	25,000.00	10,841.45	14,158.55	43.37%
Budgeted =	2006 Rent Building	-	-	-	
\$ 366,143.39	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	4,427.59	1,525.87	2,901.72	34.46%
\$ 22,872.79	CB Computer Equipment	-	-	-	
6.70%	<b>Total Strategy A.4.1.</b>	<b>366,143.39</b>	<b>199,884.23</b>	<b>166,259.16</b>	<b>54.59%</b>

# Texas Racing Commission

FYE 08/31/2017

OBS-2

Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Program Description	FY 2017 Annual Budget	FY 2017 Expended Thru 2/28/2017	FY 2017 Unexpended Bal 8/31/2017	With 50.0% of Year Lapsed % of Budget Expended
<i>Appropriated</i> A.4.2.	(0.60) FTE's = <u>Administer Drug Testing</u> 3.70				
Base Appr =	1001 Salaries and Wages	180,350.08	73,947.47	106,402.61	41.00%
\$ 284,898.00	1002 Other Personnel Cost	1,416.75	469.74	947.01	33.16%
Sup Appr =	2001 Prof Fees and Services	15,000.00	-	15,000.00	0.00%
\$ 3,489.82	2003 Consumables	500.00	125.80	374.20	25.16%
Total Appr =	2004 Utilities	-	-	-	
\$ 288,387.82	2005 Travel	18,170.67	4,046.01	14,124.66	22.27%
Budgeted =	2006 Rent Building	-	-	-	
\$ 221,591.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	6,153.50	821.72	5,331.78	13.35%
\$ (66,796.82)	CB Computer Equipment	-	-	-	
-23.45%	<b>Total Strategy A.4.2.</b>	<b>221,591.00</b>	<b>79,410.74</b>	<b>142,180.26</b>	<b>35.84%</b>
<i>Appropriated</i> B.1.1.	(0.80) FTE's = <u>Occupational Licensing</u> 6.30				
Base Appr =	1001 Salaries and Wages	243,029.71	115,925.24	127,104.47	47.70%
\$ 513,044.00	1002 Other Personnel Cost	7,611.15	4,281.45	3,329.70	56.25%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 3,025.75	2003 Consumables	3,000.00	372.64	2,627.36	12.42%
Total Appr =	2004 Utilities	-	-	-	
\$ 516,069.75	2005 Travel	32,400.00	15,015.66	17,384.34	46.34%
Budgeted =	2006 Rent Building	-	-	-	
\$ 470,523.15	2007 Rent Machine	1,400.00	821.29	578.71	58.66%
Difference	2009 Other Operating Cost	183,082.30	37,002.40	146,079.90	20.21%
\$ (45,546.61)	CB Computer Equipment	-	-	-	
-8.88%	<b>Total Strategy B.1.1.</b>	<b>470,523.15</b>	<b>173,418.68</b>	<b>297,104.48</b>	<b>36.86%</b>
<i>Appropriated</i> B.1.2.	- FTE's = <u>Texas OnLine</u> 0				
Base Appr =	1001 Salaries and Wages	-	-	-	
\$ 22,500.00	1002 Other Personnel Cost	-	-	-	
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 22,500.00	2005 Travel	-	-	-	
Budgeted =	2006 Rent Building	-	-	-	
\$ 22,500.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	22,500.00	4,575.00	17,925.00	20.33%
\$ -	CB Computer Equipment	-	-	-	
0.00%	<b>Total Strategy B.1.2.</b>	<b>22,500.00</b>	<b>4,575.00</b>	<b>17,925.00</b>	<b>20.33%</b>
<i>Appropriated</i> C.1.1.	(0.55) FTE's = <u>Monitor Wagering and Audit</u> 4.25				
Base Appr =	1001 Salaries and Wages	247,260.87	124,578.27	122,682.60	50.38%
\$ 327,375.00	1002 Other Personnel Cost	8,737.77	4,323.63	4,414.14	49.48%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 5,405.48	2003 Consumables	1,000.00	-	1,000.00	0.00%
Total Appr =	2004 Utilities	-	-	-	
\$ 332,780.48	2005 Travel	18,914.56	3,229.65	15,684.91	17.07%
Budgeted =	2006 Rent Building	-	-	-	
\$ 291,341.44	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	15,428.24	5,210.45	10,217.79	33.77%
\$ (41,439.03)	CB Computer Equipment	-	-	-	
-12.66%	<b>Total Strategy C.1.1.</b>	<b>291,341.44</b>	<b>137,342.00</b>	<b>153,999.44</b>	<b>47.14%</b>

# Texas Racing Commission

FYE 08/31/2017

OBS-3

Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Program Description	FY 2017 Annual Budget	FY 2017 Expended Thru 2/28/2017	FY 2017 Unexpended Bal 8/31/2017	With 50.0% of Year Lapsed % of Budget Expended
<i>Appropriated</i> C.1.2.	(1.00) FTE's = 2.00 <u>Wagering &amp; Compliance Inspections</u>				
Base Appr =	1001 Salaries and Wages	79,900.06	39,949.98	39,950.08	50.00%
\$ 167,631.00	1002 Other Personnel Cost	2,119.50	1,039.74	1,079.76	49.06%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 1,948.78	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 169,579.78	2005 Travel	1,930.00	-	1,930.00	0.00%
Budgeted =	2006 Rent Building	-	-	-	
\$ 85,648.56	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	1,699.00	399.54	1,299.46	23.52%
\$ (83,931.22)	CB Computer Equipment	-	-	-	
-50.07%	<b>Total Strategy C.1.2.</b>	<b>85,648.56</b>	<b>41,389.26</b>	<b>44,259.30</b>	<b>48.32%</b>
<i>Appropriated</i> D.1.1.	1.00 FTE's = 8.00 <u>Central Administration</u>				
Base Appr =	1001 Salaries and Wages	522,751.36	208,420.55	314,330.81	39.87%
\$ 756,949.00	1002 Other Personnel Cost	34,069.19	8,324.42	25,744.77	24.43%
Sup Appr =	2001 Prof Fees and Services	20,175.00	2,518.03	17,656.97	12.48%
\$ 6,897.68	2003 Consumables	7,600.00	4,469.72	3,130.28	58.81%
Total Appr =	2004 Utilities	52,000.00	18,231.03	33,768.97	35.06%
\$ 763,846.68	2005 Travel	15,500.00	3,033.93	12,466.07	19.57%
Budgeted =	2006 Rent Building	97,678.31	44,461.72	53,216.59	45.52%
\$ 834,206.00	2007 Rent Machine	900.00	614.56	285.44	68.28%
Difference	2009 Other Operating Cost	83,532.13	36,555.05	46,977.08	43.76%
\$ 70,359.32	CB Computer Equipment	-	-	-	
9.30%	<b>Total Strategy D.1.1.</b>	<b>834,206.00</b>	<b>326,629.01</b>	<b>507,576.99</b>	<b>39.15%</b>
<i>Appropriated</i> D.1.2.	- FTE's = 4.80 <u>Information Resources</u>				
Base Appr =	1001 Salaries and Wages	324,344.01	130,762.73	193,581.28	40.32%
\$ 538,500.00	1002 Other Personnel Cost	30,930.04	6,342.68	24,587.36	20.51%
Sup Appr =	2001 Prof Fees and Services	61,094.15	14,110.00	46,984.15	23.10%
\$ 2,411.73	2003 Consumables	1,950.00	1,648.04	301.96	84.51%
Total Appr =	2004 Utilities	200.00	189.93	10.07	94.97%
\$ 540,911.73	2005 Travel	3,500.00	600.18	2,899.82	17.15%
Budgeted =	2006 Rent Building	444.00	222.00	222.00	50.00%
\$ 543,229.25	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	97,216.05	35,359.65	61,856.40	36.37%
\$ 2,317.52	CB Computer Equipment	23,551.00	-	23,551.00	0.00%
0.43%	<b>Total Strategy D.1.2.</b>	<b>543,229.25</b>	<b>189,235.21</b>	<b>353,994.04</b>	<b>34.84%</b>
<i>Appropriated</i> D.1.3.	(3.20) FTE's = 48.00 <u>Other Support Services</u>				
Base Appr =	1001 Salaries and Wages	-	-	-	
\$ 7,722,747.00	1002 Other Personnel Cost	-	-	-	
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 41,751.81	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 7,764,498.81	2005 Travel	-	-	-	
Budgeted =	2006 Rent Building	-	-	-	
\$ 7,492,684.25	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	-	-	-	
\$ (271,814.55)	CB Computer Equipment	-	-	-	
-3.52%	<b>Total Strategy D.1.3.</b>	<b>-</b>	<b>-</b>	<b>-</b>	
\$ 4,289,499	Regulatory Program Operating Budget	4,017,684.25	1,726,468.52	1,985,918.27	42.97%
\$ 3,475,000	TX Bred Program Operating Budget	3,475,000.00	1,358,823.89	2,116,176.11	39.10%
\$ 7,764,499	Total M.O.F. (TXRC Acct. 597 & GR)	7,492,684.25	3,085,292.41	4,102,094.38	41.18%
	<b>Total All Programs Operating Budget</b>				

# Texas Racing Commission

FYE 08/31/2017

OBS-4

Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Program Description	FY 2017 Annual Budget	FY 2017 Expended Thru 2/28/2017	FY 2017 Unexpended Bal 8/31/2017	With 50.0% of Year Lapsed % of Budget Expended
\$ -	(3.20) FTE's = 48.00				
<i>Appropriated</i>	<u>Direct Expense of Regulatory Programs</u>				
	1001 Salaries and Wages	2,802,845.62	1,305,650.00	1,497,195.62	46.58%
	1002 Other Personnel Cost	144,406.85	51,124.77	93,282.08	35.40%
	2001 Prof Fees and Services	232,769.15	104,420.91	128,348.24	44.86%
	2003 Consumables	15,350.00	6,648.89	8,701.11	43.32%
	2004 Utilities	52,200.00	18,420.96	33,779.04	35.29%
	2005 Travel	217,665.23	67,382.79	150,282.44	30.96%
	2006 Rent Building	98,122.31	44,683.72	53,438.59	45.54%
	2007 Rent Machine	2,300.00	1,435.85	864.15	62.43%
	2009 Other Operating Cost	428,474.11	126,700.65	301,773.46	29.57%
	CB Computer Equipment	23,551.00	-	23,551.00	0.00%
\$ 4,289,499	<b>Total Direct Expense of Regulatory Program</b>	<b>4,017,684.25</b>	<b>1,726,468.52</b>	<b>2,291,215.72</b>	<b>42.97%</b>
\$ 3,475,000	FTE's = - Direct Expense of TX Bred Program	3,475,000.00	1,358,823.89	2,116,176.11	39.10%
\$ 7,764,499	(3.20) FTE's = 48.00 <b>Total Direct Expense of All Programs</b>	<b>7,492,684.25</b>	<b>3,085,292.41</b>	<b>4,407,391.83</b>	<b>41.18%</b>
\$ -	<i>Un-Appropriated</i> <u>Indirect Expense of All Programs</u>				
	OASI Match	213,419.64	98,976.25	114,443.39	46.38%
	Group Insurance	261,500.00	138,085.20	123,414.80	52.81%
	State Retirement	221,230.33	100,264.38	120,965.95	45.32%
	Benefit Replacement	6,000.00	4,107.44	1,892.56	68.46%
	ERS Retiree Insurance	345,000.00	188,356.89	156,643.11	54.60%
	SWCAP GR Reimburse	30,000.00	-	30,000.00	0.00%
	Unemployment Cost	10,000.00	-	10,000.00	0.00%
	Other	-	-	-	-
\$ 1,087,150	<b>Total Indirect Expense of All Programs</b>	<b>1,087,149.97</b>	<b>529,790.16</b>	<b>557,359.81</b>	<b>48.73%</b>
\$ 8,851,649	<b>Total Direct and Indirect Expense of All Programs</b>	<b>8,579,834.22</b>	<b>3,615,082.57</b>	<b>4,964,751.64</b>	<b>42.13%</b>

Source Of Funds	Agency Method Of Finance	FY 2017 Projected Revenue	FY 2017 Actual Revenue Thru 2/28/2017	N/A	With 50.0% of Year Lapsed % of Revenue Collected
	<b>Regulatory Program MOF:</b>				
Acct. 597	Cash Balance Carry Forward	\$ 387,000.00	\$ 387,000.00		n/a
Acct. 597	Live Race Day Fees	\$ -	\$ -		
Acct. 597	Simulcast Race Day Fees	\$ -	\$ -		
Acct. 597	Annual License Fees (Active & Inactive)	\$ 3,501,240.00	\$ 2,192,453.00		62.62%
Acct. 597	Outs	\$ -	\$ -		
Acct. 597	Occupational License Fees and Fines	\$ 679,558.00	\$ 288,553.50		42.46%
Acct. 597	Other Revenue	\$ 23,867.00	\$ 8,995.59		37.69%
Acct. 1	GR Funds	\$ -	\$ -		
	<b>Sub-Total Regulatory Prgm. MOF</b>	<b>\$ 4,591,665.00</b>	<b>\$ 2,877,002.09</b>		<b>62.66%</b>
	<b>Texas Bred Program MOF:</b>				
Acct. 597	Cash Balance Carry Forward	\$ -	\$ -		
Acct. 597	Breakage and 1% Exotic	\$ 3,475,000.00	\$ 1,358,823.89		39.10%
Acct. 597	Other	\$ -	\$ -		
	<b>Sub-Total Texas Bred Prgm. MOF</b>	<b>\$ 3,475,000.00</b>	<b>\$ 1,358,823.89</b>		<b>39.10%</b>
All Sources	<b>Total MOF</b>	<b>\$ 8,066,665.00</b>	<b>\$ 4,235,825.98</b>		<b>52.51%</b>
	<b>MOF Estimated to Exceed or (Fall-Short of Covering) Direct &amp; Indirect Expenses of Operating Budget</b>	<b>\$ (513,169.22)</b>	<b>\$ 620,743.41</b>		



## Fiscal Year 2017 Operational Budget

Updated: March 24, 2017

Thru: February 28, 2017

### Summary of Operating Revenue

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
<b>Account 597 - Racing Commission - GRD</b>	\$ 8,066,665	\$ 4,235,826	\$ -	\$ 3,830,839	47%
<b>Account 1 - State of Texas - GR</b>	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL - ALL REVENUES</b>	\$ 8,066,665	\$ 4,235,826	\$ -	\$ 3,830,839	47%

### Summary of Appropriated Operating Expenses

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
<b>1001 - Salaries and Wages:</b>	\$ 2,802,846	\$ 1,305,650	\$ -	\$ 1,497,196	53%
<b>1002 - Other Personnel Cost:</b>	\$ 144,407	\$ 51,125	\$ -	\$ 93,282	65%
<b>2001 - Professional Fees and Services:</b>	\$ 232,769	\$ 104,421	\$ -	\$ 128,348	55%
<b>2003 - Consumable Supplies:</b>	\$ 15,350	\$ 6,649	\$ -	\$ 8,701	57%
<b>2004 - Utilities:</b>	\$ 52,200	\$ 18,421	\$ -	\$ 33,779	65%
<b>2005 - Travel:</b>	\$ 217,665	\$ 67,383	\$ -	\$ 150,282	69%
<b>2006 - Rent Building:</b>	\$ 98,122	\$ 44,684	\$ -	\$ 53,439	54%
<b>2007 - Rent Machine and Other:</b>	\$ 2,300	\$ 1,436	\$ -	\$ 864	38%
<b>2009 - Other Operating Expense:</b>	\$ 428,474	\$ 126,701	\$ -	\$ 301,773	70%
<b>4000 - Grants</b>	\$ 3,475,000	\$ 1,358,824	\$ -	\$ 2,116,176	61%
<b>5000 - Capital Expenditures:</b>	\$ 23,551	\$ -	\$ -	\$ 23,551	0.00%
<b>TOTAL - ALL APPROPRIATED EXPENDITURES</b>	\$ 7,492,684	\$ 3,085,292	\$ -	\$ 4,407,392	59%

### Unappropriated Operating Expenses

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
<b>TOTAL - ALL UNAPPROPRIATED EXPENDITURES</b>	\$ 1,087,150	\$ 529,790	\$ -	\$ 557,360	51%
<b>TOTAL - ALL EXPENDITURES</b>	\$ 8,579,834	\$ 3,615,083	\$ -	\$ 4,964,752	58%
<b>OPERATING SURPLUS / (DEFICIT)</b>	\$ (513,169)	\$ 620,743			

### Summary of FTE's

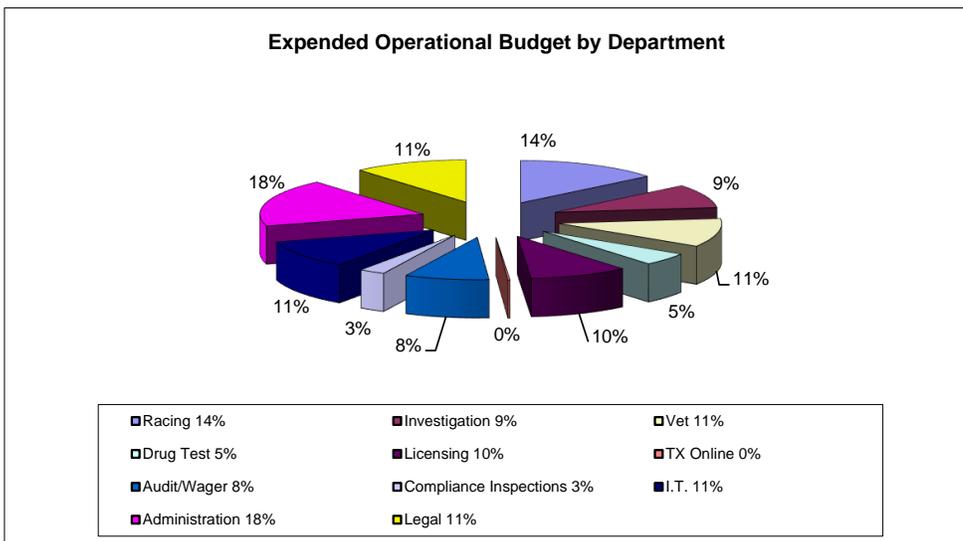
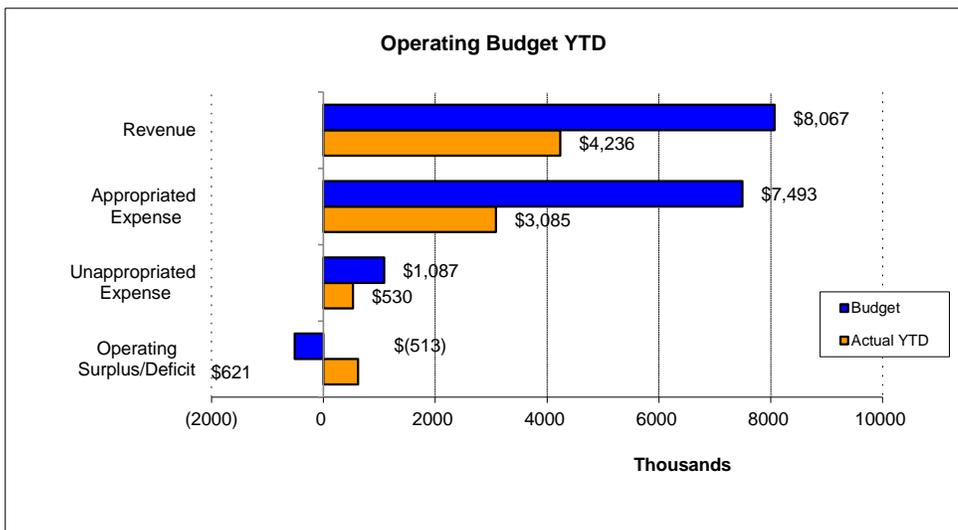
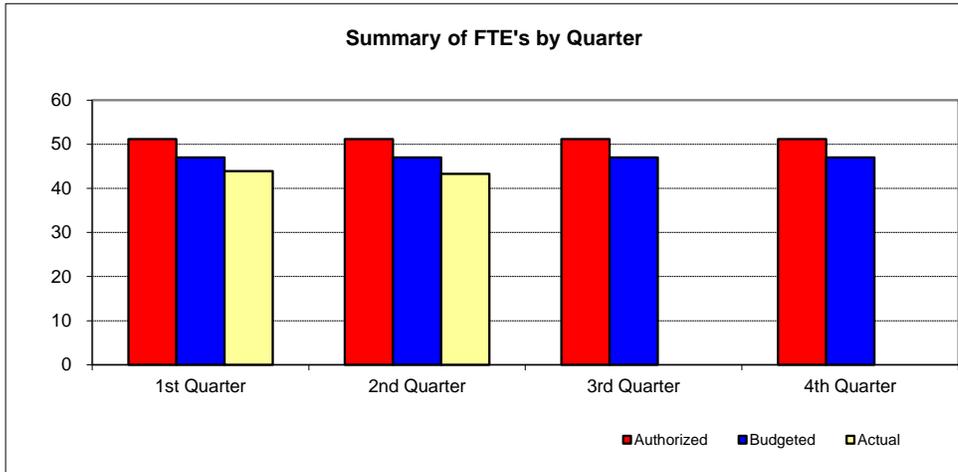
By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Authorized FTE's	51.20	51.20	51.20	51.20
Budgeted FTE's	47.00	47.00	47.00	47.00
Actual FTE's	43.90	43.30	0.00	0.00
<b>Actual FTE's Over / (Under) Budget</b>	(3.10)	(3.70)	n/a	n/a
<b>Actual FTE's Over / (Under) Authorization</b>	(7.30)	(7.90)	n/a	n/a



# Fiscal Year 2017 Operational Budget

Updated: March 24, 2017

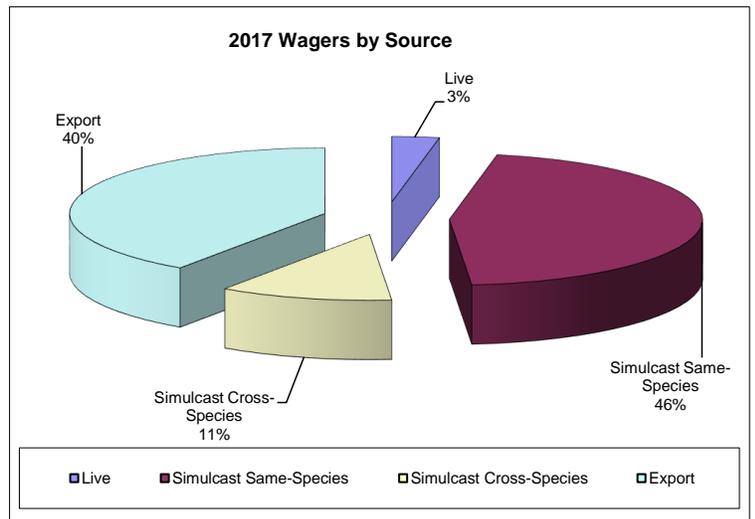
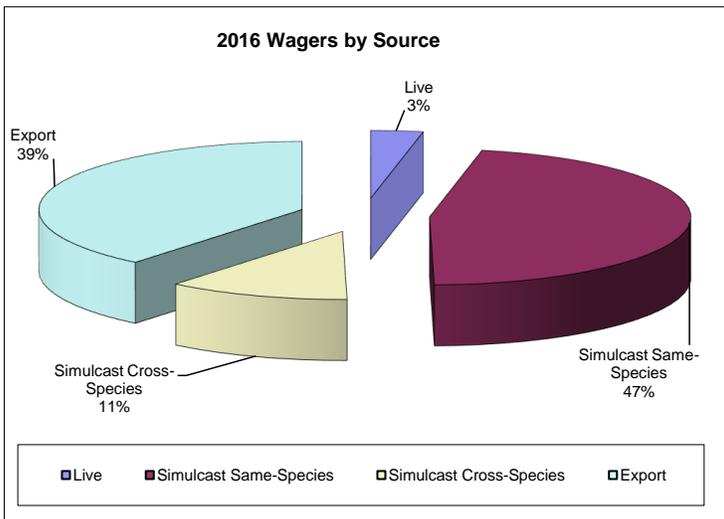
Thru: February 28, 2017





## Texas Pari-Mutuel Racetracks Wagering Statistics Comparison Report on Total Wagers Placed in Texas & on Texas Races For the Period of January 1 through March 26

	Year 2016			Year 2017			Percentage Change	
	# Days	<u>Wagers (Handle)</u>		# Days	<u>Wagers (Handle)</u>		<u>Wagers (Handle)</u>	
		Total	Average per day		Total	Average per day	Total	Average per day
<b>Greyhound Racetracks</b>								
Live	0	\$ -	\$ -	20	\$ 417,563	\$ 20,878	N/A	N/A
Simulcast Same-Species	223	\$ 6,157,210	\$ 27,611	220	\$ 5,421,248	\$ 24,642	-11.95%	-10.75%
Simulcast Cross-Species	223	\$ 5,067,740	\$ 22,725	220	\$ 3,997,297	\$ 18,170	-21.12%	-20.05%
Export	0	\$ -	\$ -	20	\$ 399,684	\$ 19,984	N/A	N/A
<b>Total Wagers</b>		<b>\$ 11,224,949</b>			<b>\$ 10,235,792</b>		<b>-8.81%</b>	
<b>Horse Racetracks</b>								
Live	34	\$ 3,755,660	\$ 110,461	32	\$ 2,830,005	\$ 88,438	-24.65%	-19.94%
Simulcast Same-Species	307	\$ 48,330,285	\$ 157,428	304	\$ 43,838,165	\$ 144,204	-9.29%	-8.40%
Simulcast Cross-Species	308	\$ 8,012,983	\$ 26,016	304	\$ 7,839,897	\$ 25,789	-2.16%	-0.87%
Export	34	\$ 45,818,916	\$ 1,347,615	32	\$ 43,273,018	\$ 1,352,282	-5.56%	0.35%
<b>Total Wagers</b>		<b>\$ 105,917,844</b>			<b>\$ 97,781,085</b>		<b>-7.68%</b>	
<b>All Racetracks</b>								
Live	34	\$ 3,755,660	\$ 110,461	52	\$ 3,247,568	\$ 62,453	-13.53%	-43.46%
Simulcast Same-Species	530	\$ 54,487,495	\$ 102,807	524	\$ 49,259,412	\$ 94,007	-9.60%	-8.56%
Simulcast Cross-Species	531	\$ 13,080,723	\$ 24,634	524	\$ 11,837,194	\$ 22,590	-9.51%	-8.30%
Export	34	\$ 45,818,916	\$ 1,347,615	52	\$ 43,672,702	\$ 839,860	-4.68%	-37.68%
<b>Total Wagers</b>		<b>\$ 117,142,793</b>			<b>\$ 108,016,877</b>		<b>-7.79%</b>	
<b>Total Wagers Placed in Texas</b>		<b>\$ 71,323,877</b>			<b>\$ 64,344,174</b>		<b>-9.79%</b>	
<b>Total Wagers Placed on Texas Races</b>		<b>\$ 49,574,575</b>			<b>\$ 46,920,271</b>		<b>-5.35%</b>	

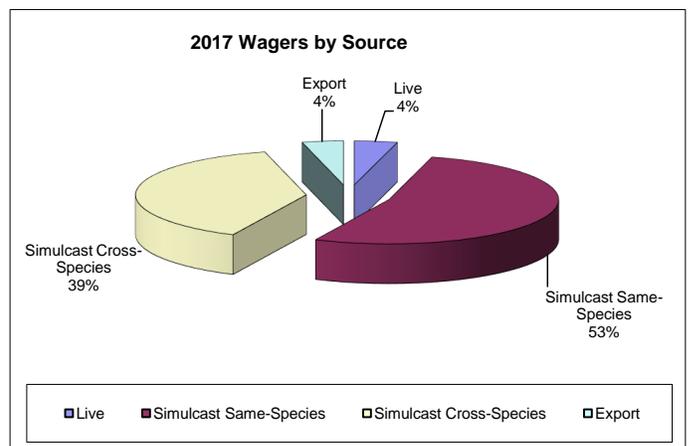
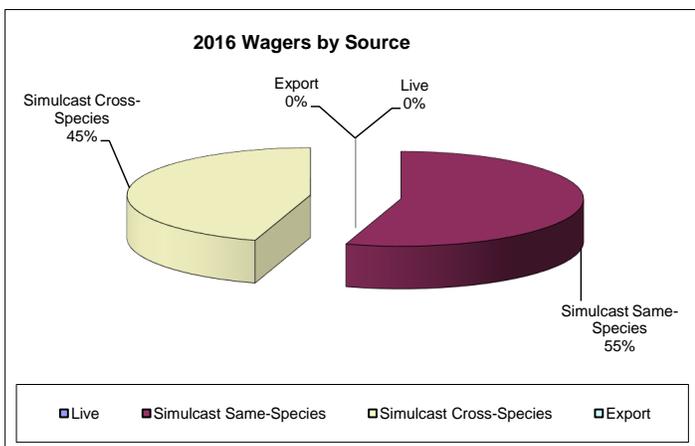




## Greyhound Racetrack Wagering Statistics Comparison Report on Total Wagers Placed in Texas & on Texas Races

For the Period of January 1 through March 26

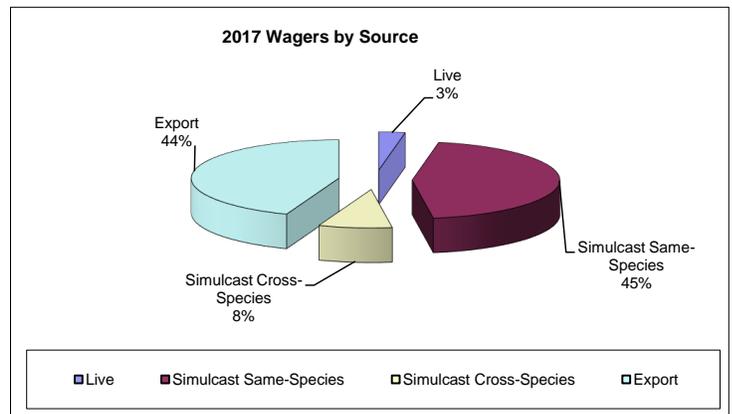
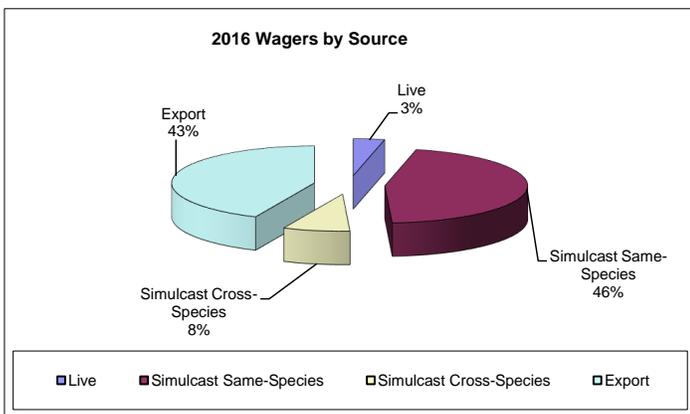
	Year 2016			Year 2017			Percentage Change	
	# Days	Wagers (Handle)		# Days	Wagers (Handle)		Wagers (Handle)	
		Total	Average per day		Total	Average per day	Total	Average per day
<b><u>Gulf Coast Racing</u></b>								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	63	\$ 1,775,184	\$ 28,178	62	\$ 1,666,926	\$ 26,886	-6.10%	-4.58%
Simulcast Cross-Species	63	\$ 895,027	\$ 14,207	62	\$ 657,090	\$ 10,598	-26.58%	-25.40%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
<b>Total Wagers</b>		<b>\$ 2,670,211</b>			<b>\$ 2,324,016</b>		<b>-12.97%</b>	
<b><u>Gulf Greyhound Park</u></b>								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	86	\$ 2,742,752	\$ 31,892	85	\$ 2,278,409	\$ 26,805	-16.93%	-15.95%
Simulcast Cross-Species	86	\$ 2,708,855	\$ 31,498	85	\$ 2,218,336	\$ 26,098	-18.11%	-17.14%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
<b>Total Wagers</b>		<b>\$ 5,451,607</b>			<b>\$ 4,496,745</b>		<b>-17.52%</b>	
<b><u>Valley Race Park</u></b>								
Live	0	\$ -	\$ -	20	\$ 417,563	\$ 20,878	N/A	N/A
Simulcast Same-Species	74	\$ 1,639,274	\$ 22,152	73	\$ 1,475,912	\$ 20,218	-9.97%	-8.73%
Simulcast Cross-Species	74	\$ 1,463,857	\$ 19,782	73	\$ 1,121,871	\$ 15,368	-23.36%	-22.31%
Export	0	\$ -	\$ -	20	\$ 399,684	\$ 19,984	N/A	N/A
<b>Total Wagers</b>		<b>\$ 3,103,131</b>			<b>\$ 3,415,031</b>		<b>10.05%</b>	
<b><u>All Greyhound Tracks</u></b>								
Live	0	\$ -	\$ -	20	\$ 417,563	\$ 20,878	N/A	N/A
Simulcast Same-Species	223	\$ 6,157,210	\$ 27,611	220	\$ 5,421,248	\$ 24,642	-11.95%	-10.75%
Simulcast Cross-Species	223	\$ 5,067,740	\$ 22,725	220	\$ 3,997,297	\$ 18,170	-21.12%	-20.05%
Export	0	\$ -	\$ -	20	\$ 399,684	\$ 19,984	N/A	N/A
<b>Total Wagers</b>		<b>\$ 11,224,949</b>			<b>\$ 10,235,792</b>		<b>-8.81%</b>	
<b>Total Wagers Placed in Texas</b>		<b>\$ 11,224,949</b>			<b>\$ 9,836,108</b>		<b>-12.37%</b>	
<b>Total Wagers Placed on Texas Races</b>		<b>\$ -</b>			<b>\$ 817,247</b>		<b>N/A</b>	





## Horse Racetrack Wagering Statistics Comparison Report on Total Wagers Placed in Texas & on Texas Races For the Period of January 1 through March 26

	Year 2016			Year 2017			Percentage Change	
	# Days	Wagers (Handle)		# Days	Wagers (Handle)		Wagers (Handle)	
		Total	Average per day		Total	Average per day	Total	Average per day
<b>Gillespie County Fair</b>								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	50	\$ 649,144	\$ 12,983	49	\$ 610,443	\$ 12,458	-5.96%	-4.04%
Simulcast Cross-Species	50	\$ 90,494	\$ 1,810	49	\$ 119,193	\$ 2,433	31.71%	34.40%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
<b>Total Wagers</b>		<b>\$ 739,639</b>			<b>\$ 729,636</b>		<b>-1.35%</b>	
<b>Lone Star Park</b>								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	86	\$ 23,718,540	\$ 275,797	85	\$ 22,219,707	\$ 261,408	-6.32%	-5.22%
Simulcast Cross-Species	86	\$ 1,602,331	\$ 18,632	85	\$ 1,636,945	\$ 19,258	2.16%	3.36%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
<b>Total Wagers</b>		<b>\$ 25,320,871</b>			<b>\$ 23,856,651</b>		<b>-5.78%</b>	
<b>Retama Park</b>								
Live	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
Simulcast Same-Species	86	\$ 8,210,605	\$ 95,472	85	\$ 7,624,313	\$ 89,698	-7.14%	-6.05%
Simulcast Cross-Species	86	\$ 1,943,462	\$ 22,598	85	\$ 1,913,166	\$ 22,508	-1.56%	-0.40%
Export	0	\$ -	\$ -	0	\$ -	\$ -	0.00%	0.00%
<b>Total Wagers</b>		<b>\$ 10,154,067</b>			<b>\$ 9,537,480</b>		<b>-6.07%</b>	
<b>Sam Houston Race Park</b>								
Live	34	\$ 3,755,660	\$ 110,461	35	\$ 2,830,005	\$ 80,857	-24.65%	-26.80%
Simulcast Same-Species	85	\$ 15,751,997	\$ 185,318	85	\$ 13,383,702	\$ 157,455	-15.03%	-15.03%
Simulcast Cross-Species	86	\$ 4,376,696	\$ 50,892	85	\$ 4,170,593	\$ 49,066	-4.71%	-3.59%
Export	34	\$ 45,818,916	\$ 1,347,615	32	\$ 43,273,018	\$ 1,352,282	-5.56%	0.35%
<b>Total Wagers</b>		<b>\$ 69,703,268</b>			<b>\$ 63,657,318</b>		<b>-8.67%</b>	
<b>All Horse Tracks</b>								
Live	34	\$ 3,755,660	\$ 110,461	32	\$ 2,830,005	\$ 88,438	-24.65%	-19.94%
Simulcast Same-Species	307	\$ 48,330,285	\$ 157,428	304	\$ 43,838,165	\$ 144,204	-9.29%	-8.40%
Simulcast Cross-Species	308	\$ 8,012,983	\$ 26,016	304	\$ 7,839,897	\$ 25,789	-2.16%	-0.87%
Export	34	\$ 45,818,916	\$ 1,347,615	32	\$ 43,273,018	\$ 1,352,282	-5.56%	0.35%
<b>Total Wagers</b>		<b>\$ 105,917,844</b>			<b>\$ 97,781,085</b>		<b>-7.68%</b>	
<b>Total Wagers Placed in Texas</b>		<b>\$ 60,098,928</b>			<b>\$ 54,508,067</b>		<b>-9.30%</b>	
<b>Total Wagers Placed on Texas Races</b>		<b>\$ 49,574,575</b>			<b>\$ 46,103,023</b>		<b>-7.00%</b>	



# INSPECTION REPORT

Summary of Inspections Performed For the Period of February 1, 2017 through April 1, 2017					
Track	Area of Inspection	Date of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
Sam Houston Race Park	Wagering	3/6/2017	0	Follow-up from 1/13/17	0
	Administrative	3/6/2017	0	Follow-up from 1/13/17	0

Inspection Counts by Area and Type				
Area of Inspection	Scheduled	No Notice	Follow-Up	Totals
Administrative			1	1
Racing - Judges				
Racing - Stewards				
Veterinary				
Safety & Security				
Wagering			1	1
Training Center				
<b>TOTAL INSPECTIONS</b>			2	2

**Notes Regarding Inspections at Racetracks:**

1) Scheduled inspections typically occur before the beginning of each race meet. No Notice inspections typically are planned to occur during the middle of a meet, but may occur at any time.

2) Follow-Up inspections are performed when a Scheduled or No Notice inspection identifies an unsatisfactory item. The Follow-Up inspection is performed after the association has had an opportunity to remedy any unsatisfactory item.

## ENFORCEMENT REPORT

Valley Race Park concluded its 2016/2017 meet on February 4, 2017.

Sam Houston Race Park conducted a Thoroughbred meet from January 20, 2017 to March 14, 2017. Sam Houston began its Quarter Horse meet on March 31, 2017.

Retama Park, Lone Star Park, Valley Race Park, Gulf Greyhound Park, Gulf Coast Racing, and the Gillespie County Fair & Festivals Race Barn are currently conducting simulcast operations.

### Valley Race Park

Rulings Activity – Race Meet – November 2016 – February 2017

Type of Violation	# of Rulings
Trainer Infractions	1
Medication Positives/Violations <u>Class 3/4</u> Theophylline (3) / Caffeine (4) – 6 <u>Class 5</u> Methocarbamol - 2	4
Greyhound Weight Infractions	4
<b>Total Number of Rulings</b>	<b>9</b>

### Sam Houston Race Park

Rulings Activity – Race Meet – January – March 2017

Type of Violation	# of Rulings
Human Drug Violations Methamphetamine – 1 Marijuana - 6	7
Conduct Violations	4
Jockey – Riding Infractions	4
Medication Positives/Violations <u>Class 4</u> Flunixin/Phenylbutazone – 1 Ketoprofen – 1 <i>Overage of Permitted Medication</i> Phenylbutazone – 1 Use of unauthorized medication on race day resulted in 2 scratches	4
Trainer Infractions	2
Contraband	4
Financial Obligations	2
Reciprocity	1
<b>Total Number of Rulings</b>	<b>28</b>

## **V. PROCEEDINGS ON RACETRACKS**

Discussion, consideration and possible action on the following matter:

Designation by the Commission of an Application Period for Race Dates under Commission Rule 303.41



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

To: Texas Racing Commissioners

From: Chuck Trout, Executive Director

Date: April 4, 2017

Re: Designation by the Commission of an Application Period for Race Dates  
under Commission Rule 303.41

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In accordance with Commission Rule 303.41, staff recommends that the Texas Racing Commission open an application period for race dates for January 1, 2018, through December 31, 2018, and January 1, 2019, through August 31, 2019. Staff also recommends that the application period for these race dates be opened on June 1, 2017, and be closed on July 17, 2017.

Please note that the Commission has previously allocated some 2018 race dates to several associations. During the application period, some associations may request amendments to the existing 2018 dates, and other associations will be requesting 2018 dates for the first time.

Staff recommends allowing associations to apply for race dates to be conducted through the end of Fiscal Year 2019 in order to allow both the Commission and the associations to develop longer-term budgeting and staffing plans.

A copy of Rule 303.41 is attached.

## **RULES OF RACING**

### **Chapter 303 – General Provisions**

#### **Subchapter B – Powers and Duties of the Commission**

##### **§303.41 Allocation of Race Dates**

(a) The commission shall allocate live race dates, including charity days, to each association for such time periods and at such racing locations as the commission determines in accordance with the Act and this section.

(b) Upon its own motion or upon the request of any association, the commission may designate an application period during which the commission shall accept applications for race dates.

(c) The commission shall establish the time period or periods for which it will consider granting race dates.

(d) Upon designation by the commission of an application period under this section, the executive secretary shall publicize that application period to the affected greyhound and horse racing associations at least 30 days before the closing date of the period.

(e) The application must be on a form prescribed by the commission. After the request is filed, the executive secretary may require the association to submit additional information if the executive secretary determines the additional information is necessary to effectively evaluate the request.

(f) In allocating race dates under this section, the commission may consider the following factors and the degree to which the association's proposed race meeting will serve to nurture, promote, develop, or improve the horse or greyhound industry in Texas:

(1) the association's current ability to pay all fees and other amounts owed to the commission, to the state, and to local governments;

(2) the association's willingness and ability to comply and past performance in complying with the Rules and the Act;

(3) the current condition of the association's racetrack and facilities for patrons, race animals, and occupational licensees;

(4) the anticipated effect of the proposed race meeting on the continuity of racing during the year;

(5) the live race dates requested by other associations licensed to conduct races for the same species of animal;

(6) the anticipated overall economic effect to the state from the race meeting;

(7) the anticipated effect of the race meeting on the greyhound or horse breeding industry in Texas;

(8) the anticipated effect of scheduled race meetings in neighboring race states on the proposed race meeting; and

(9) the anticipated availability of race animals for the race meetings.

(g) The commission shall approve the actual days awarded, and the total number of performances. The commission may require a minimum number of races in a race meet.

(h) An association shall conduct pari-mutuel racing on each race date granted under this section, and in accordance with the race date calendar approved by the Commission, unless the association receives the prior approval of the executive secretary.

(i) If circumstances beyond the control of the association prevent the association from conducting a performance, the commission may award a make-up performance.

(j) Change in Race Date Allocation.

(1) The executive secretary may permit an association to request additional live race dates after its request under this section has been acted on by the commission if the executive secretary determines that:

(A) the request includes evidence that granting the additional live race dates will enhance the breeding and training industries for horses or greyhounds;

(B) the association's failure to request the live race dates initially was not due to the association's neglect; and

(C) if the request duplicates a request by the association that has already been denied by the commission, changed circumstances exist that necessitate additional consideration by the commission.

(2) An association may request a change to the live race dates granted by the commission provided the association obtains the approval of all associations that are affected by the proposed change. This subsection applies to any proposed change to the number or format of live race dates.

(3) The executive secretary may approve an association's request to add, delete, or modify live race dates, provided that the request:

(A) does not add any live race dates that are more than fourteen calendar days preceding the start of the Commission-approved race meet or more than fourteen days following the end of the Commission-approved race meet;

(B) is supported in writing by each breed organization affected by the change;

(C) is supported in writing by each association that is affected by the change; and

(D) in the case of a horse racing association, is supported in writing by the horsemen's organization.

(4) In determining whether to approve a request under this subsection, the executive secretary may consider the effect that approving the request would have on the workload and budget status of the Commission.

(5) For purposes of this subsection, an allocation of live race performances may be changed in the same manner as a change in the allocation of live race dates.

## **VI. PROCEEDINGS ON OCCUPATIONAL LICENSES**

Discussion, consideration and possible action on the following matter:

The Proposal for Decision in SOAH No. 476-17-0121;  
In Re: The Appeal of Roman Chapa from Stewards'  
Ruling SHRP 4840

Texas Racing Commission  
Ruling Report for Licensee

Ruling Date: 01/19/2015      Violation Date: 01/17/2015

Licensee: ROMAN ERIC CHAPA

Ruling#: SHRP4816  
Status: CLSD

License#	Type	Status
53851	JOCKEY	SUSPENDED

<u>Actions</u>	<u>Begin Date</u>	<u>End Date</u>
SUSPENDED	01/19/2015	

Violation Type: 1 JOCKEY-RIDING

Redistribute Purse: N

Rules Violated: 307.62      FAILURE TO APPEAR AT HEARING OR SUMMARY SUSPENSION

<u>Fine</u>	<u>Fine Due Date</u>	<u>Fine Paid Date</u>
\$		

Narrative:

Jockey Roman Chapa's Texas jockey license is hereby summarily suspended pending completion of an investigation into his ride in the 9th race at Sam Houston Race Park on 01/17/2015.

During the term of this suspension Mr. Chapa is denied access to all areas under the jurisdiction of the Texas Racing Commission.

-----  
DAVID ROLLINSON

-----  
ANNE ALLEY

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DENNIS SIDENER

**Texas Racing Commission**  
**Ruling Supplements**

Ruling Date: 01/19/2015 Violation Date: 01/17/2015

Licensee: ROMAN ERIC CHAPA

Ruling#: SHRP4816

Status: CLSD

License#	Type	Status
53851	JOCKEY	SUSPENDED

Actions	Begin Date	End Date
SUSPENDED	01/19/2015	

Rules Violated: 307.62 FAILURE TO APPEAR AT HEARING OR SUMMARY SUSPENSION

Fine      Fine Due Date      Fine Paid Date

Redistribute Purse: N

\$

1      Created On: 02/10/2015

A hearing was held on 02/09/2015 into the circumstances surrounding the summary suspension of Jockey Roman Chapa.

Evidence was presented by TxRC counsel indicating that Mr. Chapa carried an electrical shocking device in the 9th race at Sam Houston Race Park on 1/17/2015.

The use of such a device in the opinion of the Sam Houston Race Park Board of Stewards constitutes an immediate danger to the public health, safety and welfare.

Based on the evidence presented the Sam Houston Race Park Board of Stewards hereby confirm continuance of the summary suspension pending a full hearing on 2/27/2015.

**Texas Racing Commission**  
**Ruling Report for Licensee**

**Ruling Date:** 03/02/2015

**Violation Date:** 01/17/2015

**Ruling#:** SHRP4840

**Licensee:** ROMAN ERIC CHAPA

**Status:** CLSD

License#	Type	Status
53851	JOCKEY	SUSPENDED

Actions	Begin Date	End Date
SUSPENDED	01/19/2015	01/18/2020

**Violation Type:** 1 JOCKEY-RIDING

**Redistribute Purse Y**

Rules Violated:

3.16	UNLAWFUL INFLUENCES ON RACING
311.206	INFLUENCE OF RACE PROHIBITED
311.207	INHUMANE TREATMENT OF HORSE OR GREYHOUND
311.215	POSSESSION OF CONTRABAND

Fine	Fine Due Date	Fine Paid Date
\$ 25,000	03/05/2015	

**Narrative:**

Jockey Roman Chapa having been duly noticed, appeared at a formal hearing before the Sam Houston Race Park Board of Stewards on 02/27/2015 and was represented by his attorneys Paul Vick and Angus McGinty.

Counsel for both parties agreed that the evidence and testimony presented at the Summary Suspension Hearing held on 02/09/2015, be entered into the record.

Having considered all the testimony and evidence presented at both hearings the preponderance of evidence indicated that Mr. Chapa did carry an electric shocking device while riding "Quiet Acceleration" to win the 9th race at Sam Houston Race Park the "Richard King Turf Stakes" on 01/17/2015. Mr. Chapa is hereby suspended 5 years (01/19/2015 through 01/18/2020) and fined twenty five thousand (\$25,000) dollars and the case referred to the Executive Director of the Texas Racing Commission for further consideration.

The horse "Quiet Acceleration" is disqualified from the 9th race at Sam Houston Race Park on 01/17/2015 and declared unplaced with the purse redistributed as follows;

1. (3) Fly the Red Eye
  2. (9) Magna Breeze
  3. (10) Special UFO
  4. (4) Fiery Dream
  5. (1) Rule Breaker
  6. (2) Seeking West
  7. (6) Anew Rumor
  8. (7) Special Praise
  9. (5) Spiderman Ridge
- Unplaced (8) Quiet Acceleration

During the term of this suspension Mr. Chapa is denied access to all areas under the jurisdiction of the Texas Racing Commission.

FAILURE TO PAY THE ASSESSED FINE BY THE DUE DATE INDICATED ABOVE  
MAY RESULT IN THE SUSPENSION OF THE SUBJECT'S OCCUPATIONAL LICENSE(S).

-----  
DAVID ROLLINSON

-----  
ANNE ALLEY

-----  
DENNIS SIDENER

IN THE MATTER OF  
ROMAN ERIC CHAPA  
STEWARDS' RULING SHRP 4840

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BEFORE THE  
TEXAS RACING COMMISSION

**ORDER OF THE EXECUTIVE SECRETARY**

On January 17, 2015, Roman Eric Chapa, jockey license number 53851, carried an electrical shocking device while riding "Quiet Acceleration" to win the "Richard King Turf Stakes," which was the ninth race at Sam Houston Race Park that day.

On January 19, 2015, the Board of Stewards at Sam Houston Race Park summarily suspended Mr. Chapa's license following the discovery of a photograph showing Mr. Chapa carrying the device in the race. On February 9, 2015, the same Board of Stewards conducted a hearing on the summary suspension and continued the suspension pending a full disciplinary hearing, which took place on February 27, 2015. On March 2, 2015, the Sam Houston Race Park Board of Stewards issued Ruling # SHRP 4840, assessing a fine of \$25,000 and suspending Mr. Chapa's jockey license for the five-year period ending on January 18, 2020, for violations of Texas Racing Act, Tex. Rev. Civ. Stat. Art. 179e, § 3.16, Rules Relating to Unlawful Influences on Racing, and 16 TAC Sections 311.206, Influence of Race Prohibited, 311.207, Inhumane Treatment of Horse or Greyhound, and 311.215, Possession of Contraband. The Board of Stewards disqualified "Quiet Acceleration" from the race and ordered the purse to be redistributed. In addition, the Board of Stewards referred the case to the Executive Secretary for further consideration.

Pursuant to the authority granted to the executive secretary under 16 TAC Section 307.69, I have reviewed the ruling and the penalties imposed by the Board of Stewards in Ruling # SHRP 4840 and compared them with the Commission's penalty guidelines that were issued on January 10, 2014. The penalty guidelines provide for a \$25,000 fine, a five-year suspension, and referral to the executive secretary for possession of a single electrical device or other device that could influence the outcome of a race.

I find that the penalty authority currently provided to the Board of Stewards under Texas Racing Act § 3.07 and by the Commission's rules is insufficient to adequately address the violation in light of the following aggravating circumstances:

- 1) This is Mr. Chapa's third violation for possession of a prohibited device.
  - a. On October 30, 1994, Mr. Chapa was fined \$2,500 and suspended nine months after he admitted to using a nail on his mount "Silver Sixes" during the running of the second race on August 13, 1994, at Gillespie County Fair. Stewards' Ruling # TRIN 1465.
  - b. In 2007, the New Mexico Racing Commission fined Mr. Chapa \$1,500 and suspended his jockey's license for five years after discovering him to be in possession of an electrical shocking device following the sixth race at Sunland Park on February 17, 2007. New Mexico Racing Commission Ruling # 0095507.
- 2) By carrying a prohibited device during the running of a race, Mr. Chapa has compromised the integrity of racing and of the pari-mutuel wagering that takes place on racing. His actions have damaged the reputation of racing and acted as a deterrent to those members of the public who would otherwise attend racing events and participate in the wagering upon which the industry relies.
- 3) By carrying a prohibited device during the running of a race at Sam Houston Race Park, Mr. Chapa has damaged the reputation of the racing association and thereby deterred those members of the public who would otherwise attend racing events at Sam Houston Race Park and participate in the wagering upon which the association relies.

Therefore, I am modifying the penalties imposed on Roman Eric Chapa by the Board of Stewards in Ruling # SHRP 4840 by increasing the fine from \$25,000 to \$100,000. All other provisions of Ruling # SHRP 4840 remain, including the five-year suspension of his jockey's license, the disqualification of "Quiet Acceleration," and the redistribution of the purse.

Pursuant to 16 TAC Section 307.67, a person aggrieved by a ruling may appeal to the Commission. An appeal must be in writing in a form prescribed by the executive secretary. An appeal from the modification of a penalty by the executive secretary must be filed not later than 5:00 p.m. of the fifth calendar day after the person is informed of the penalty modification. The appeal must be filed at the main Commission offices in Austin or with the stewards or

racetrack where a live race meet is being conducted. The appeal must be accompanied by a cash bond in the amount of \$150 to defray the costs of the court reporter and transcripts required for the appeal. The bond must be in the form of a cashier's check or money order.

TEXAS RACING COMMISSION

  
By: \_\_\_\_\_  
Chuck Trout  
Executive Secretary  
Texas Racing Commission  
P.O. Box 12080  
Austin, Texas 78711-2080  
(512) 833-6699  
(512) 833-6907 fax

\_\_\_\_\_ 3-5-15 \_\_\_\_\_  
Date

# APPEAL OF STEWARDS/JUDGES RULING

**Texas Racing Commission**

8505 Cross Park Drive, Suite 110  
Austin, TX 78754-4594

Phone 512-833-6699

Fax 512-833-6907

www.txrc.texas.gov

Office Use Only

Date	Clerk
Bond	Check / MO #
Fine (if applicable)	Check / MO #

Pursuant to Texas Racing Commission Rule §307.67(b), an appeal from a Stewards/Judges ruling must be filed not later than 5:00 p.m. of the third day after the day the person is informed of the ruling. Pursuant to Texas Racing Act §3.08(b), however, a decision of the Stewards/Judges on a disqualification for a foul in a race or on a finding of fact regarding the running of a race is final and may not be appealed.

The appeal must be filed at the main Commission office in Austin or with the Stewards/Judges issuing the ruling. A cash bond for \$150.00 in the form of a cashier's check or money order must accompany the appeal.

Under Texas Racing Commission Rule §307.64(b) and §307.67(d), a fine is due no later than 5:00 p.m. on the third day after the person is informed of the ruling that imposed the fine, regardless of whether the ruling is appealed. The fine can be paid at any Commission Licensing office or at the main Commission office in Austin. If the appeal is upheld, the fine will be refunded to the licensee.

1a. First Name Roman	1b. Middle Name Eric	1c. Last Name Chapa	1d. TxRC License # 53851
2. Address (Street, City, State, Zip) 701 Edwards Blvd., Big Spring, Texas 79720			3. Social Security #
4a. Local Telephone ( 210-557-8548	4b. Business Telephone (210) 735-1794	4c. Fax Number ( 210) 733-7510	
5. Appeal Statement			
I, <u>Roman Eric Chapa</u> , Texas Racing Commission License # <u>53851</u> , appeal Ruling Number <u>SHRP4840</u> , dated <u>March 2, 2015</u> , issued by the Board of Stewards/Judges at <u>Sam Houston Race Park</u> (name of race track)			
<input checked="" type="checkbox"/> I appeal this ruling for the following reason(s): <u>No evidence of an electronic shocking device, No evidence or insufficient evidence a device was used to influence a race; no evidence or insufficient evidence contraband was possessed; and arbitrary and capricious ruling by the stewards.</u>			
<input checked="" type="checkbox"/> I request a stay of the suspension for the following reason(s): <u>Please see attached.</u>			
Attach separate page(s) if necessary.			
6a. Signature <i>Roman Chapa, with permission by his attorney Cory D. King</i>		6b. Date Signed <i>4 March 2015</i>	

TEXAS RACING COMMISSION

ROMAN ERIC CHAPA

LICENSEE

V.

TEXAS RACING COMMISSION

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RULING NO. SHRP4840

**ROMAN ERIC CHAPA'S REQUEST FOR STAY REGARDING SUSPENSION AND FINE IMPOSED BY STEWARD'S RULING NUMBER SHRP4840**

NOW COMES Roman Eric Chapa, Licensee, and files this request for stay regarding suspension and fine imposed by steward's ruling number SHRP4840. In support of this request, Licensee shows as follows:

1. The Stewards at Sam Houston Race Park issued a ruling on March 3, 2015 suspending Mr. Chapa for five years and denying access to all areas under the jurisdiction of the Texas Racing Commission during the five year suspension. Please see true and correct copy of ruling number SHRP 4840 attached hereto as Exhibit 1.

2. During the contested hearing held before the stewards on February 27, 2015 at the Sam Houston Race Park, the investigator for the Texas Racing Commission admitted that he was not aware of any other suspension which had been imposed against a jockey where no physical device or "buzzer" was found. In other words, he had investigated six to eight instances involving allegations of use of a "buzzer" device. All of these investigations resulted in a suspension, and all involved the recovery of the actual physical device which was alleged to be used.

3. In the investigation involving Mr. Chapa, no physical evidence of a device or machine was found, in spite of a search of the track and his saddle, as well as interviews with race personnel who were in the physical presence of Mr. Chapa before, during and after the race.

4. The only evidence of a violation by Mr. Chapa presented at the hearing was a photograph taken by the track photographer. The track photographer could not identify the alleged object indicated in the picture, and a DPS expert utilized by the TRC could not identify the alleged object. There was no testimony or physical evidence offered at the hearing that the alleged object indicated in the picture was a machine or "buzzer".

5. Moreover, Larry Taylor, a jockey who had ridden Quiet Acceleration (horse ridden by Mr. Chapa) many times, and had won on the horse, testified that he had seen the video of the race and the horse ran just as he always had when Mr. Taylor had ridden him, including when he rode him to victory.

6. Finally, the imposition of the maximum fine allows the SHRP Stewards to dictate Mr. Chapa's ability to appeal the ruling since this is an oppressive amount of money for anyone to tender, including Mr. Chapa.

In conclusion, no physical evidence or testimony was offered at the Stewards' Hearing establishing that Mr. Chapa was in possession of any kind of device before, during or after the race in question, or that any kind of device had been used during the race.

WHEREFORE, PREMISES CONSIDERED, Licensee Roman Eric Chapa prays that Executive Secretary enter a ruling staying the suspension and fine imposed against Mr. Chapa, or in the alternative staying the requirement to tender the \$25,000 fine during the pendency of this appeal, and for such other and further relief to which Licensee may be justly entitled, both at law or in equity.

Respectfully submitted,

LAW OFFICES OF PAUL G. VICK  
First National Bank Building  
6243 IH-10 West, Suite 860  
San Antonio, Texas 78201  
Tel: (210) 735-1794  
Fax: (210) 733-7510  
ATTORNEYS FOR LICENSEE

By //s// Paul G. Vick  
Paul G. Vick  
State Bar No. 20563950

**CERTIFICATE OF SERVICE**

I hereby certify that on March 4, 2015, I tendered the foregoing with the Texas Racing Commission for filing at the following address:

Texas Racing Commission  
8505 Cross Park Drive, Suite 110  
Austin, Texas 78754-4594

//s// Paul G. Vick  
Paul G. Vick

# State Office of Administrative Hearings



Lesli G. Ginn  
Chief Administrative Law Judge

February 7, 2017

Chuck Trout  
Executive Director  
Texas Racing Commission  
8505 Cross Park Drive, Suite 110  
Austin, Texas 78754-4594

**INTER-AGENCY**

**RE: Docket No. 476-17-0121; Roman Chapa v. Texas Racing Commission**

Dear Mr. Trout:

Please find enclosed a Proposal for Decision on Summary Disposition in this case. It contains my recommendation and underlying rationale.

Exceptions and replies may be filed by any party in accordance with 1 Tex. Admin. Code § 155.507(c), a SOAH rule which may be found at [www.soah.state.tx.us](http://www.soah.state.tx.us).

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Frazee".

Stephanie Frazee  
Administrative Law Judge

SF/mm  
Enclosures

cc: Devon V. Bijansky, Deputy General Counsel, Texas Racing Commission, 8505 Cross Park Drive, Suite 110, Austin, TX 78754 -- **INTER-AGENCY**  
Paul G. Vick, Law Offices of Paul G. Vick, 12703 Spectrum Drive, Suite 103, San Antonio, TX 78249 - **REGULAR MAIL**

**SOAH DOCKET NO. 476-17-0121**

**ROMAN CHAPA,**  
**Petitioner**

v.

**TEXAS RACING COMMISSION,**  
**Respondent**

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**BEFORE THE STATE OFFICE**

**OF**

**ADMINISTRATIVE HEARINGS**

**PROPOSAL FOR DECISION  
ON SUMMARY DISPOSITION**

Roman Chapa (Petitioner) appealed Sam Houston Race Park (SHRP) Stewards (Stewards) Ruling SHRP No. 4840 to the Texas Racing Commission (Commission). The Stewards' ruling determined that Petitioner had possessed and used an electronic shocking device while riding the racehorse Quiet Acceleration. The Stewards suspended Petitioner for five years, imposed an administrative penalty of \$25,000, disqualified Quiet Acceleration from the race, and redistributed the purse. Upon review of the Stewards' decision, the Commission's Executive Secretary increased the penalty to \$100,000.

The parties filed cross-motions for summary disposition. The Administrative Law Judge (ALJ) finds that summary disposition should be granted in part in favor of Staff of the Commission and granted in part in favor of Petitioner.

**I. JURISDICTION, NOTICE, AND PROCEDURAL HISTORY**

There were no contested issues of jurisdiction or notice. Those issues are set forth in the Findings of Fact and Conclusions of Law below.

The Stewards held an evidentiary hearing on February 27, 2015. Subsequently, the Stewards issued a ruling suspending Petitioner for five years and fining him \$25,000. Petitioner timely filed with the Commission a Notice of Appeal and Request for Stay Regarding Suspension and Fine. On March 5, 2015, the Commission issued a ruling refusing to stay the

suspension but staying the requirement to pay the penalty during the pendency of the appeal. However, the Commission's Executive Secretary increased the penalty to \$100,000. Staff referred the appeal to the State Office of Administrative Hearings (SOAH) on September 8, 2016.

Staff filed a Motion for Summary Disposition on September 30, 2016. Petitioner filed a response and a Cross-Motion for Summary Disposition on October 13, 2016. Staff filed a response to the cross-motion on October 27, 2016. On December 8, 2016, the ALJ issued Order No. 2 canceling the hearing on the merits and stating that a proposal for decision on summary disposition would be issued.

On December 9, 2016, Petitioner filed objections to Staff's summary disposition evidence. Staff responded on December 14, 2016. The ALJ overruled the objections in Order No. 3, issued on December 19, 2016. The record closed on that date.

## II. APPLICABLE LAW

Horse racing in Texas is governed by the Texas Racing Act and the rules promulgated by the Commission pursuant to the Act.<sup>1</sup> The Commission's rules provide that a person "may not improperly influence or conspire or attempt to improperly influence the results of a race" and "may not possess on association grounds or use a device designed to increase or decrease the speed of a horse other than an ordinary riding whip."<sup>2</sup> The rules further state that a "person on association grounds or a licensee may not subject a race animal to cruel or inhumane treatment or, through act or neglect, subject a race animal to unnecessary suffering."<sup>3</sup> Finally, the rules state that "[n]o person may possess an item of contraband at any time while on a racetrack or association grounds."<sup>4</sup> Contraband includes "an electrical shocking device, spur, or similar

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<sup>1</sup> Texas Racing Act, Tex. Rev. Civ. Stat. art. 179e (Texas Racing Act); Texas Admin. Code title 16, part 8. See Texas Racing Act § 3.16.

<sup>2</sup> 16 Tex. Admin. Code § 311.206.

<sup>3</sup> 16 Tex. Admin. Code § 311.207.

<sup>4</sup> 16 Tex. Admin. Code § 311.215(b).

device or paraphernalia designed to increase or decrease the speed of a race animal or to unnaturally depress, stimulate, or excite a race animal.”<sup>5</sup>

The Commission’s rules provide that an administrative penalty may be assessed against an individual who violates the Texas Racing Act or a Commission rule.<sup>6</sup> The Texas Racing Act authorizes the Stewards to impose a penalty of up to \$25,000 and a suspension of up to five years for unethical practices or violations of racing rules.<sup>7</sup> The Commission’s rules authorize the Commission’s Executive Secretary to review a ruling of the Stewards and modify the penalty.<sup>8</sup> The Executive Secretary may increase the penalty to no more than \$100,000.<sup>9</sup>

A person aggrieved by a ruling of the Stewards may appeal to the Commission, and those appeals are referred to SOAH for hearing.<sup>10</sup> In an appeal, the Petitioner has the burden of proving that the Stewards’ ruling was clearly erroneous.<sup>11</sup>

An ALJ may grant summary disposition on all or part of a contested case if the pleadings, the motion for summary disposition, and the summary disposition evidence show that there is no genuine issue as to any material fact and that the moving party is entitled to a decision in its favor as a matter of law on all or some of the issues set out in the motion.<sup>12</sup>

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<sup>5</sup> 16 Tex. Admin. Code § 311.215(a)(2).

<sup>6</sup> 16 Tex. Admin. Code § 323.101(a).

<sup>7</sup> Texas Racing Act § 3.07(b). *See* 16 Tex. Admin. Code § 307.64(a).

<sup>8</sup> 16 Tex. Admin. Code § 307.69(a).

<sup>9</sup> 16 Tex. Admin. Code § 307.69(a).

<sup>10</sup> 16 Tex. Admin. Code § 307.67.

<sup>11</sup> 16 Tex. Admin. Code § 307.67(c).

<sup>12</sup> 1 Tex. Admin. Code § 155.505(a).

### III. DISCUSSION

#### A. Background

Petitioner is licensed by the Commission as a jockey with license number 53851.<sup>13</sup> On January 17, 2015, Petitioner rode the horse Quiet Acceleration in the ninth race of the Richard King Turf Stakes at SHRP and finished in first place. SHRP photographer Jack Coady photographed Petitioner and the horse as they neared the finish line. Later that night, one of the photographs was uploaded to the SHRP website by the SHRP Marketing Department.

After the photograph was placed on the website, the SHRP Director of Security received telephone calls from the SHRP Racing Secretary and the Oklahoma Executive Director of Racing, both of whom expressed concerns that it appeared that Petitioner had an electronic shocking device in his hand in the photograph.<sup>14</sup> SHRP Steward Anne Alley also received a telephone call from another individual with the same concern. This led to an investigation by the Commission into whether Petitioner had carried or used an electronic shocking device during the race. The investigator, Melvin Bell, concluded that Petitioner had carried an electronic shocking device during the race and testified to his conclusions before the Stewards.

Petitioner contests the Stewards' determination that he carried an electronic shocking device, asserting that it is not clear what was in his hand in the photographs and that the photographs were altered. He also contests the determination that he used the device on the horse.

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<sup>13</sup> Staff Ex. 3.

<sup>14</sup> Staff Ex. 3.

**B. Petitioner's Evidence and Argument**

Petitioner's summary disposition evidence included Commission documents regarding this case, correspondence between Staff's attorney and Petitioner's attorney, and excerpts from the transcript of the Stewards' hearing.<sup>15</sup>

Petitioner argued that no physical evidence exists showing that Petitioner carried an electronic shocking device. Petitioner noted that the Commission investigator testified before the Stewards that he was unaware of any suspension based solely on a photograph or with no physical evidence of a device. Petitioner also argued that several individuals had contact with Petitioner throughout the evening of the race and would have had an opportunity to observe a device if he was carrying one: the track investigator; a valet; the Clerk of Scale; an outrider; a pony person; and another jockey, Larry Taylor, all observed Petitioner that evening but did not see him in possession of a device.<sup>16</sup> Additionally, Petitioner asserted that after the race, he was not feeling well and was attended to by EMS personnel as well as a fellow jockey, none of whom observed Petitioner with a device.

Petitioner also asserted that there is no evidence he used a device on Quiet Acceleration during the race. Mr. Taylor testified before the Stewards that he had ridden Quiet Acceleration during other races and that the horse behaved typically during the race at issue: slowly and deliberately increasing in speed near the end of the race.<sup>17</sup>

Petitioner argued that although the Stewards based their decision largely on the photographs taken by Mr. Coady, Mr. Coady himself testified before the Stewards that he could not be sure what was in Petitioner's hand in the photographs.<sup>18</sup> He also testified that three other

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<sup>15</sup> Petitioner Exs. 1-4 were admitted for purposes of this PFD. Petitioner Ex. 4 is divided into Exhibits 4.a.-4.q.

<sup>16</sup> Petitioner Ex. 4.a.

<sup>17</sup> Petitioner Ex. 4.i.

<sup>18</sup> Petitioner Ex. 4.j.

individuals may have had access to the computer where the photographs were located and could have altered the picture.<sup>19</sup>

In his cross-motion for summary disposition, Petitioner argued that he was denied due process, the Stewards' ruling was arbitrary and capricious, and the Stewards' ruling was not supported by substantial evidence. Specifically, Petitioner argued that the Commission denied him due process because it waited 18 months to refer his appeal to SOAH. Petitioner asserted that the delay was contrary to the Commission's policies and procedures. Petitioner further argued that because the Commission failed to follow its own regulations, its determination is arbitrary and capricious.

### **C. Staff's Evidence and Argument**

In support of its motion for summary disposition, Staff submitted the record evidence from the Stewards' hearing as well as the recording of that hearing.<sup>20</sup> Staff argued that the evidence establishes the findings of the Stewards and that their ruling was not clearly in error.

Staff argued that, at the Stewards' hearing, Mr. Coady testified that he uploaded the photograph of Petitioner shortly after taking it and before anyone would have had an opportunity to tamper with it.<sup>21</sup> He also testified that he did not have the skill set to edit the image in the way Petitioner claims it was altered.<sup>22</sup> Additionally, Melissa Melnick, a forensic photographer with the Department of Public Safety, testified before the Stewards that she reviewed the image files of the photographs taken by Mr. Coady and found no evidence of editing.<sup>23</sup> Staff also argued that the evidence before the Stewards showed that, when he was interviewed during the

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<sup>19</sup> Petitioner Ex. 4.k.

<sup>20</sup> Staff Exs. 1-7 were admitted into evidence for purposes of this PFD. Staff submitted two exhibits labeled as Exhibit 7, a letter from the Harris County District Attorney's Office and a set of photographs. The photographs were submitted to replace photocopied photographs that were parts of Exhibits 3 and 6. The ALJ has incorporated the photographs into those exhibits and considers the letter to be Exhibit 7.

<sup>21</sup> Staff Ex. 2, Stewards' Hearing Recording Part 3 at 04:30-04:48. The photographs included in Staff's evidence were unedited images. Staff Ex. 2, Stewards' Hearing Recording Part 2 at 22:11-22:25.

<sup>22</sup> Staff Ex. 2, Stewards' Hearing Recording Part 2 at 20:58-21:20.

<sup>23</sup> Staff Ex. 2, Stewards' Hearing Recording Part 3 at 12:28-14:16.

investigation, Petitioner denied seeing the photograph or contacting Mr. Coady about it.<sup>24</sup> However, an examination of Mr. Coady's cell phone, as well as Mr. Coady's testimony, established that Petitioner called and texted Mr. Coady about the photograph shortly after it was posted on the SHRP website.<sup>25</sup>

The Commission investigator, Melvin Bell, testified before the Stewards that he believed the object in Petitioner's hand was an electronic shocking device.<sup>26</sup> Mr. Bell also testified that using a shocking device "can sometimes cause the horse to bolt, possibly unseating the rider, or bolting in front of another horse, causing the horses to clip hooves, causing one or both of the horses to go down, and spilling the riders on the track."<sup>27</sup>

In its response to Petitioner's motion for summary disposition, Staff argued that the delay in referring the appeal to SOAH was not unreasonable. Staff asserted that the delay was due to a request from the Harris County District Attorney's (D.A.) office, which was prosecuting Petitioner for unlawful interference on racing and making a false statement to investigators.<sup>28</sup> Staff stated that the D.A. was concerned that the administrative process could interfere with the criminal prosecution. The Commission therefore waited to refer the case to SOAH until it believed that a firm trial date had been set for the criminal case. Staff argued that Petitioner cannot be prejudiced by the delay because this is an appeal; therefore, consequences such as unavailability of witnesses and faded recollections do not apply. Staff argued that a "reasonable" time for referring an appeal depends on the circumstances of each case, and in this case, the time of referral was necessary and reasonable.

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<sup>24</sup> Staff Ex. 2, Stewards' Hearing Recording Part 1 at 11:23-12:25.

<sup>25</sup> Staff Ex. 2, Stewards' Hearing Recording Part 2 at 22:40-26:20; Staff Ex. 3 at 3-4; Staff Ex. 7.

<sup>26</sup> Staff Ex. 2, Temporary Suspension Hearing Recording at 22:40-23:12.

<sup>27</sup> Staff Ex. 2, Temporary Suspension Hearing Recording at 22:40-23:12.

<sup>28</sup> Staff's evidence of the D.A.'s request was Staff Ex. 7. However, that exhibit is a letter addressing a civil case in which Petitioner sued the Commission in Travis County Civil Court, not Petitioner's appeal to SOAH. Staff also referenced "a request" from the D.A. that the Commission delay referring Petitioner's appeal to SOAH, but Staff did not provide any evidence of such a request. Although Petitioner disputed the amount of time taken for the case to be referred, Petitioner did not dispute Staff's claim regarding the request from the D.A.

#### IV. ANALYSIS

The ALJ finds that there are no genuine issues of material fact and Staff is entitled to summary disposition on Petitioner's violations of 16 Texas Administrative Code (TAC) §§ 311.206 and .215 and Texas Racing Act § 3.16 and the sanctions imposed against Petitioner for those violations. The ALJ also finds that there are no genuine issues of material fact and Petitioner is entitled to summary disposition on his alleged violation of 16 TAC § 311.207.

Petitioner failed to establish that the Stewards were clearly erroneous in finding that he violated 16 TAC §§ 311.206 and 311.215 and Texas Racing Act § 3.16. A photograph taken during the race shows Petitioner holding an electronic shocking device in his hand. Mr. Bell, who has been a Commission investigator for over 12 years, has conducted 8-10 investigations involving electronic shocking devices, and has seen 25-30 such devices in person, testified before the Stewards that he had no doubt that the device in Petitioner's hand was an electronic shocking device.<sup>29</sup> The evidence shows that Petitioner contacted the photographer, Mr. Coady, to demand that the photograph be taken off the website. However, Petitioner would not tell him why it should be taken down. The evidence further shows that despite cell phone records proving that Petitioner contacted Mr. Coady, Petitioner denied having done so. All of this evidence supports the finding that Petitioner was holding an electronic shocking device in the photograph.

Petitioner argues that photographic evidence is insufficient to prove the violations and that there must be physical evidence of his possessing an electronic shocking device. However, the photographic evidence shows that he was holding such a device in his hand during a race. Physical evidence is not necessary under the statute or rules. Therefore, the Stewards were not clearly erroneous in their findings regarding these violations.

Petitioner did show, however, that the Stewards were clearly erroneous in finding that he violated 16 TAC § 311.207. That rule states that "[a] person on association grounds or a licensee

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<sup>29</sup> Staff Ex. 2, Temporary Suspension Hearing Recording at 22:40-23:12.

may not subject a race animal to cruel or inhumane treatment or, through act or neglect, subject a race animal to unnecessary suffering.” Although the evidence establishes that Petitioner carried an electronic shocking device while riding Quiet Acceleration, no evidence suggests that Petitioner actually used the device. Another jockey who had won a race while riding Quiet Acceleration testified before the Stewards that the horse behaved normally during Petitioner’s race. The horse’s owner told the Commission investigator that, after the race, there were no marks on the horse’s neck to indicate that the device was used.<sup>30</sup> Additionally, the horse did not bolt or exhibit any other unusual behavior that would indicate that Petitioner used the device during the race.<sup>31</sup> The photographic evidence shows Petitioner holding the electronic shocking device, but no photographs show him touching the horse with the device. Although the fact that he held the device while riding the horse increases the likelihood that he used the device on the horse, there is no independent evidence showing that he did use it.

Petitioner’s remaining summary disposition arguments focus on constitutional issues over which SOAH does not have jurisdiction.<sup>32</sup> Petitioner also argues that the Commission acted arbitrarily and capriciously by violating its own policies and procedures when it waited 18 months to refer his appeal to SOAH. Staff responded by stating that the delay was due to a concurrent criminal matter arising from the same circumstances at issue in the appeal. Staff cited to case law supporting the idea that concurrent civil cases (and Staff argued, by extension, administrative cases) and criminal prosecutions can result in confusion and thwart justice.<sup>33</sup>

The Commission’s rule regarding referral of cases to SOAH states “[i]f after a reasonable time the proceeding cannot be settled through agreement, the executive secretary shall refer the matter to SOAH.”<sup>34</sup> “Reasonable time” is not defined. Although 18 months is a relatively long

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<sup>30</sup> Staff Ex. 2, Stewards’ Hearing Recording Part 1 at 44:12-45:26.

<sup>31</sup> Staff Ex. 2, Stewards’ Hearing Recording Part 2 at 03:35-04:10.

<sup>32</sup> In accordance with separation of powers, jurisdiction over constitutional questions vests exclusively in government’s judicial branch. *City of Dallas v. Stewart*, 361 S.W.3d 562, 579 (Tex. 2012) (noting that “the power of constitutional construction is inherent in, and exclusive to, the judiciary”).

<sup>33</sup> *Tex. Attorney General’s Office v. Adams*, 793 S.W.2d 771, 776 (Tex. App.—Fort Worth 1990); *State v. Morales*, 869 S.W.2d 941, 948 (Tex. 1994).

<sup>34</sup> 16 Tex. Admin. Code § 307.31(c).

delay for a referral to SOAH, Petitioner has not established that such a delay violated the Commission's rules, policies, or procedures. It is reasonable for the Commission to heed the request of the Harris County D.A. in delaying referral in order to avoid potential interference with a criminal case. Moreover, the Commission stayed Petitioner's obligation to pay the administrative penalty during the pendency of his appeal. Thus, the delay was not arbitrary or capricious given the circumstances of this case, and Petitioner is not entitled to summary disposition on this claim.

Although the evidence does not support the Stewards' finding of a violation of 16 TAC § 311.207, Petitioner's violations of 16 TAC §§ 311.206 and .215 and Texas Racing Act § 3.16 support the penalties imposed by the Stewards. The Texas Racing Act grants the Stewards discretion to impose a penalty of up to \$25,000 and a suspension of up to five years for unethical practices or violations of racing rules.<sup>35</sup> The Commission's rules authorize the Commission's Executive Secretary to review a ruling of the Stewards and increase the penalty to no more than \$100,000.<sup>36</sup> Nothing in the record suggests that suspension for five years or the penalty of \$100,000 is clearly erroneous given Petitioner's violations of the Texas Racing Act and Commission rules. It could be argued that, in the absence of a proven violation of 16 TAC § 311.207, the \$100,000 administrative penalty should be lowered; however, the scope of the SOAH inquiry is limited to determining whether such a penalty is clearly in error, which it is not.

Accordingly, the ALJ finds that the Stewards' decision regarding Petitioner's violations of 16 TAC §§ 311.206 and .215 and Texas Racing Act § 3.16, as well as the suspension and penalty imposed, is supported by the evidence presented. Therefore, Staff is entitled to summary disposition on those violations and the associated sanctions. However, the ALJ also finds that the Stewards' decision regarding Petitioner's alleged violation of 16 TAC § 311.207 was not supported by the evidence and is therefore clearly erroneous. Petitioner is entitled to summary disposition on that violation.

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<sup>35</sup> See 16 Tex. Admin. Code § 307.64(a).

<sup>36</sup> 16 Tex. Admin. Code § 307.69(a).

**V. FINDINGS OF FACT**

1. Roman Chapa (Petitioner) is licensed by the Texas Racing Commission (Commission) as a jockey under license number 53851.
2. On January 17, 2015, Petitioner rode the horse Quiet Acceleration to win the ninth race of the Richard King Stakes at Sam Houston Race Park (SHRP) in Houston, Texas.
3. During the race, SHRP photographer Jack Coady took pictures of Petitioner riding Quiet Acceleration. The photographs were posted on the SHRP website later that night.
4. The Commission initiated an investigation after SHRP received several telephone calls from individuals concerned that the photograph showed that Petitioner was holding an electronic shocking device in his left hand. The investigator concluded that Petitioner was holding such a device during the race.
5. Shortly after the photograph was posted on the website, Petitioner contacted Mr. Coady by text message and telephone call to ask him to remove the photograph from the website.
6. The photographs taken by Mr. Coady show that Petitioner held an electronic shocking device in his left hand.
7. A forensic photographer with the Department of Public Safety reviewed the image files of the photographs taken by Mr. Coady and found that they had not been edited.
8. During the race, the horse did not bolt or act in an unusual manner. After the race, the horse's owner examined the horse but did not find any marks or other indications that an electronic shocking device had been used.
9. On February 27, 2015, the SHRP Board of Stewards (Stewards) conducted an evidentiary hearing.
10. On March 2, 2015, the Stewards issued Ruling SHRP No. 4840, which found that Petitioner violated Texas Racing Act § 3.16 and 16 Texas Administrative Code §§ 311.206, .207, and .215, suspended him for five years, imposed a \$25,000 penalty, disqualified Quiet Acceleration from the race, and redistributed the purse.
11. Petitioner timely filed with the Commission a Notice of Appeal and Request for Stay Regarding Suspension and Fine.
12. On March 5, 2015, the Commission issued a ruling refusing to stay the suspension but staying the requirement to pay the penalty during the pendency of the appeal. Additionally, the Commission's Executive Secretary increased Petitioner's penalty to \$100,000.

13. Staff received a request from the Harris County District Attorney's Office to delay referring Petitioner's case to SOAH in order to avoid interfering with a criminal case against Petitioner.
14. Staff referred the appeal to the State Office of Administrative Hearings (SOAH) on September 8, 2016, for a contested case hearing.
15. The Commission waited approximately 18 months to refer this appeal to SOAH in order to avoid potentially conflicting with a concurrent criminal case arising from the same factual circumstances. Such a delay was reasonable.
16. At SOAH, Petitioner was represented by attorney Paul Vick, and Commission staff (Staff) was represented by Deputy General Counsel Devon V. Bijansky. The parties filed cross-motions for summary disposition.
17. On December 8, 2016, the Administrative Law Judge (ALJ) issued Order No. 2, which canceled the hearing on the merits and stated that a proposal for decision on summary disposition would be issued.
18. On December 9, 2016, Petitioner filed objections to Staff's summary disposition evidence. Staff responded on December 14, 2016. On December 19, 2016, the ALJ issued Order No. 3, which overruled the objections. The record closed on that date.

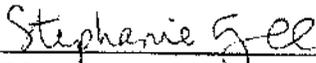
## VI. CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to the Texas Racing Act. Tex. Rev. Civ. Stat. art. 179e (Texas Racing Act) §§ 3.16, 7.04.
2. SOAH has jurisdiction over matters related to the hearing in this proceeding, including the authority to issue a proposal for decision with proposed findings of fact and conclusions of law. Tex. Gov't Code ch. 2003; 16 Tex. Admin. Code § 307.31(c).
3. The Commission's Stewards have authority to conduct hearings and impose penalties. Tex. Racing Act § 3.07(b); 16 Tex. Admin. Code § 307.61.
4. A person aggrieved by a ruling of the Stewards may appeal to the Commission, and those appeals are referred to SOAH for hearing. 16 Tex. Admin. Code § 307.67.
5. The Commission shall refer a matter to SOAH if, after a reasonable time, the proceeding cannot be settled through agreement. 16 Tex. Admin. Code § 307.31(c).
6. Petitioner has the burden of proof in this matter to show the Stewards' ruling was clearly erroneous. 16 Tex. Admin. Code § 307.67(c).
7. A person may not improperly influence or conspire or attempt to improperly influence the results of a race and may not possess on association grounds or use a device designed

- to increase or decrease the speed of a horse other than an ordinary riding whip. 16 Tex. Admin. Code § 311.206; *see* Tex. Racing Act § 3.16.
8. A licensee may not subject a race animal to cruel or inhumane treatment or, through act or neglect, subject a race animal to unnecessary suffering. 16 Tex. Admin. Code § 311.207.
  9. No person may possess an item of contraband at any time while on a racetrack or association grounds. 16 Tex. Admin. Code § 311.215(b).
  10. Contraband includes an electrical shocking device. 16 Tex. Admin. Code § 311.215(a)(2).
  11. An administrative penalty may be assessed against an individual who violates the Texas Racing Act or a Commission rule. 16 Tex. Admin. Code § 323.101(a).
  12. The Texas Racing Act authorizes the Stewards to impose a penalty of up to \$25,000 and a suspension of up to five years for unethical practices or violations of racing rules. Tex. Racing Act § 3.07(b); 16 Tex. Admin. Code § 307.64(a).
  13. The Commission's rules authorize the Commission's Executive Secretary to review a ruling of the Stewards and modify the penalty, including increasing a penalty to no more than \$100,000. 16 Tex. Admin. Code § 307.69(a).
  14. An ALJ may grant summary disposition on all or part of a contested case if the pleadings, the motion for summary disposition, and the summary disposition evidence show that there is no genuine issue as to any material fact and that the moving party is entitled to a decision in its favor as a matter of law on all or some of the issues set out in the motion. 1 Tex. Admin. Code § 155.505(a).
  15. The Stewards' determination that Petitioner carried an electronic shocking device while riding Quiet Acceleration during the ninth race of the Richard King Stakes on January 17, 2015, was not clearly erroneous. 16 Tex. Admin. Code §§ 311.206, .215.
  16. The Stewards' determination that Petitioner subjected Quiet Acceleration to cruel or inhumane treatment or unnecessary suffering was not supported by the evidence and was therefore clearly erroneous. 16 Tex. Admin. Code § 311.207.
  17. The sanction of a five year suspension, \$100,000 penalty, disqualification of Quiet Acceleration, and redistribution of the purse was not clearly in error. Tex. Racing Act § 3.07(b); 16 Tex. Admin. Code § 307.64(a), .69.
  18. Staff is entitled to summary disposition upholding the Stewards' determination regarding Petitioner's violations of 16 Texas Administrative Code §§ 311.206 and .215 as well as the penalty and sanctions imposed.

19. Petitioner is entitled to summary disposition to reverse the Stewards' determination regarding his alleged violation of 16 Texas Administrative Code § 311.207.

**SIGNED February 7, 2017.**

  
\_\_\_\_\_  
STEPHANIE FRAZEE  
ADMINISTRATIVE LAW JUDGE  
STATE OFFICE OF ADMINISTRATIVE HEARINGS

IN RE: THE APPEAL OF

ROMAN CHAPA FROM

STEWARDS RULING SHRP 4840

§  
§  
§  
§  
§  
§  
§

BEFORE THE

TEXAS RACING COMMISSION

ORDER OF THE COMMISSION

On April 11, 2017, the Texas Racing Commission (“Commission”) considered in open meeting the appeal of Roman Chapa (“Petitioner”), jockey license number 53851, from Stewards’ Ruling SHRP 4840 (“the ruling”). The Commission hereby makes the following findings based on the record of this matter:

- (a) On or about March 2, 2015, the Sam Houston Race Park Board of Stewards issued Ruling SHRP 4840, finding Petitioner in violation of Texas Racing Act § 3.16, Tex. Rev. Civ. Stat. art. 179e (Texas Racing Act) as well as 16 TAC §§ 311.206, Influence of Race Prohibited; 311.207, Inhumane Treatment; and 311.215(b), Contraband, resulting from the ninth race at Sam Houston Race Park on January 17, 2015, in which he finished first aboard the horse “Quiet Acceleration.”
- (b) In the ruling, Petitioner was fined \$25,000 and suspended for five years, the horse was disqualified and declared unplaced, and the purse was redistributed.
- (c) On or about March 4, 2015, Petitioner filed an appeal of the ruling with the Commission and requested a stay of the suspension while the appeal was pending.

(d) On or about March 5, 2015, the Commission's Executive Director denied Petitioner's request for a stay of the suspension, which had begun with a summary suspension on January 19, 2015, but stayed the requirement to tender the fine pending the outcome of the appeal.

(e) Also on or about March 5, 2015, the Commission's executive secretary modified the stewards' ruling to increase the fine from \$25,000 to \$100,000. All other provisions of the stewards' ruling remained in effect.

(f) On or about February 7, 2017, based on written filings submitted by the parties, the administrative law judge issued a proposal for decision in which she found that Petitioner had met his burden of proving that the stewards' ruling was clearly in error regarding their finding of a violation of 16 TAC § 311.207, Inhumane Treatment, but that Petitioner had not met his burden of proving that the ruling was clearly in error regarding the stewards' finding of violations of 16 TAC §§ 311.206, Influence of Race Prohibited, and 311.215, Contraband and Texas Racing Act § 3.16, Rules Relating to Unlawful Influences on Racing. The administrative law judge further found that the five-year suspension and \$100,000 fine imposed against Petitioner were not clearly in error.

(g) The Commission finds that the five-year suspension and \$100,000 fine imposed against Petitioner are an appropriate penalty for violations of 16 TAC §§ 311.206 and 311.215 and Texas Racing Act § 3.16.

IT IS HEREBY ORDERED that Stewards' Ruling SHRP 4840 and the related Order of the Executive Secretary dated March 5, 2017, be amended to reflect that the Petitioner is not found to have violated 16 TAC § 311.207. The stewards' ruling and executive secretary's order are upheld in all other respects, including the suspension of

Petitioner's racing license for five years, the imposition of a \$100,000 fine, and redistribution of the purse.

If enforcement of this order is restrained by an order of a court, this order takes effect on a final determination by that court or an appellate court in favor of the Texas Racing Commission.

ISSUED AND ENTERED the \_\_\_\_\_ day of April 2017.

\_\_\_\_\_  
John T. Steen, Chair

\_\_\_\_\_  
Ronald F. Ederer, Vice Chair

\_\_\_\_\_  
Gary P. Aber, DVM

\_\_\_\_\_  
Gloria Hicks

\_\_\_\_\_  
Steven Mach

\_\_\_\_\_  
Margaret Martin

\_\_\_\_\_  
Victoria North

\_\_\_\_\_  
Robert Schmidt, M.D.

<b>IN RE: THE APPEAL OF</b>	§	<b>BEFORE THE TEXAS RACING</b>
	§	
<b>ROMAN CHAPA FROM</b>	§	
	§	<b>COMMISSION</b>
	§	
<b>STEWARDS RULING SHRP</b>	§	
<b>4840</b>	§	

**ORDER OF THE COMMISSION**

On April 11, 2017, the Texas Racing Commission ("Commission") considered in open meeting the appeal of Roman Chapa ("Petitioner"), jockey license number 53851, from Stewards' Ruling SHRP 4840 ("the ruling"). The Commission hereby makes the following findings based on the record of this matter:

- (a) On or about March 2, 2015, the Sam Houston Race Park Board of Stewards issued Ruling SHRP 4840, finding Petitioner in violation of Texas Racing Act § 3.16, Tex. Rev. Civ. Stat. art. 179e (Texas Racing Act) as well as 16 TAC §§ 311.206, Influence of Race Prohibited; 311.207, Inhumane Treatment; and 311.215(b), Contraband, resulting from the ninth race at Sam Houston Race Park on January 17, 2015, in which he finished first aboard the horse "Quiet Acceleration."
- (b) In the ruling, Petitioner was fined \$25,000 and suspended for five years, the horse was disqualified and declared unplaced, and the purse was redistributed.
- (c) On or about March 4, 2015, Petitioner filed an appeal of the ruling with the Commission and requested a stay of the suspension while the appeal was pending.
- (d) On or about March 5, 2015, the Commission's Executive Director denied Petitioner's request for a stay of the suspension, which had begun with a summary suspension on January 19, 2015, but stayed the requirement to tender the fine pending the outcome of the appeal.

(e) Also on or about March 5, 2015, the Commission's executive secretary modified the stewards' ruling to increase the fine from \$25,000 to \$100,000. All other provisions of the stewards' ruling remained in effect.

(f) On or about February 7, 2017, based on written filings submitted by the parties, the administrative law judge issued a proposal for decision in which she found that Petitioner had met his burden of proving that the stewards' ruling was clearly in error regarding their finding of a violation of 16 TAC § 311.207, Inhumane Treatment, but that Petitioner had not met his burden of proving that the ruling was clearly in error regarding the stewards' finding of violations of 16 TAC §§ 311.206, Influence of Race Prohibited, and 311.215, Contraband and Texas Racing Act § 3.16, Rules Relating to Unlawful Influences on Racing. The administrative law judge further found that the five-year suspension and \$100,000 fine imposed against Petitioner were not clearly in error; however the ALJ noted that it could be argued that, in absence of a proven violation of 16 TAC § 311.207, the \$100,000 administrative penalty should be lowered; however the scope of the SOAH inquiry is limited to determining whether such a penalty is clearly in error.

(g) The Commission finds that the five-year suspension and \$100,000 fine imposed against Petitioner are excessive given the finding by the administrative law judge that the stewards' ruling was clearly in error regarding their finding of a violation of 16 TAC § 311.207, Inhumane Treatment; therefore an appropriate penalty for violations of 16 TAC § 311.206, 16 TAC § 311.215 and Texas Racing Act § 3.16 are a two-year suspension commencing on March 2, 2015, and a \$25,000 fine imposed against Petitioner.

IT IS HEREBY ORDERED that Stewards' Ruling SHRP 4840 and the related Order of the Executive Secretary dated March 5, 2015, is amended to reflect that a

penalty of a two-year suspension commencing on March 2, 2015, and a \$25,000 fine are imposed against Petitioner.

ISSUED AND ENTERED the \_\_\_\_\_ day of April 2017.

---

John T. Steen, Chair

---

Ronald F. Ederer, Vice Chair

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Gary P. Aber, DVM

---

Gloria Hicks

---

A. Cynthia Leon

---

Margaret Martin

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Victoria North

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Robert Schmidt, M.D.

## **VII. PROCEEDINGS ON RULEMAKING**

Discussion, consideration and possible action on the following matters:

- A. Rule Proposals. If approved by the Commission, these proposals will be published in the Texas Register for public comment.
  - 1. Proposal to Amend Rule 311.5, License Types
  - 2. Proposal to Amend Rule 313.24, Records and Reports

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 3/20/17

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

Please submit this information to the attention of the Executive Director *at least 14 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

Texas Racing Commission  
8505 Cross Park Drive, Suite 110  
Austin, TX 78754-4552  
Phone: 512/833-6699 Fax: 512-833-6907  
email: [info@txrc.texas.gov](mailto:info@txrc.texas.gov)

**Contact Information:**

Name:	Staff	Phone(s):	(512) 833-6699
E-mail address:	<a href="mailto:info@txrc.texas.gov">info@txrc.texas.gov</a>	Fax number:	(512) 833 6907
Mailing address:	8505 Cross Park Drive, Suite 110, Austin, Texas 78754		

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 311 Rule: 5

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: §3.02 and §7.02

## **A. Brief Description of the Issue**

Commission Rule 311.2(d)(2) states:

An occupational licensee may not act in any capacity other than that for which he or she is licensed.

This proposal would address the issue of individuals who are licensed only as an exercise rider or as a pony person but who also perform unlicensed work for a trainer as a groom.

## **B. Discussion of the Issue and Problem**

Individuals licensed as a pony person or exercise rider are considered independent contractors and are licensed for those jobs alone; they are not linked to any specific trainer or employer.

Licensees licensed as grooms work for a specific trainer in caring for the horses; their applications are signed by a trainer and their license is linked to that trainer.

By working as a groom without a groom's license, these licensees expose the horses to the same risk of contamination as any other groom, but without being subject to the random drug testing program that applies to all other trainer employees. In addition, they violate the clear prohibition in the rules against acting in an unlicensed capacity.

## **C. Possible Solutions and Impact**

The proposal would address the problem by creating two new combination license types:

- Groom/Exercise Rider, and
- Groom/Pony Person.

The licensee would benefit by being able to obtain a \$25 combination license instead of separately paying for two \$25 licenses in order to comply with Rule 311.2(d)(2).

The Commission would benefit by ensuring that all persons working as grooms are associated with their employing trainers and are therefore subject to the random human drug testing program.

## **D. Support or Opposition**

The proposal was discussed at the Rules Committee meeting on March 28, 2017. No attendee spoke in opposition to the proposal and the Committee authorized staff to bring it to the Commission for consideration.

## **E. Proposal**

See next page:

**CHAPTER 311. OTHER LICENSES**

**SUBCHAPTER A. LICENSING PROVISIONS**

**DIVISION 1. OCCUPATIONAL LICENSES**

**Sec 311.5 License Fees**

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

(d) The fee for an occupational license is as follows:

<b>Type of License</b>	<b>1 Year Fee</b>	<b>2 Year Fee</b>	<b>3 Year Fee</b>
Adoption Program Personnel	\$25		
Announcer	\$35		
Apprentice Jockey	\$75		
Assistant Farrier/Plater/Blacksmith	\$25		
Assistant Starter	\$25		
Assistant Trainer	\$100		
Assistant Trainer/Owner	\$100		
Association Assistant Management	\$50		
Association Management Personnel	\$75		
Association Officer/Director	\$100		
Association Other	\$75		
Association Staff	\$35		
Association Veterinarian	\$75		
Authorized Agent	\$15		
Chaplain	\$25		
Chaplain Assistant	\$25		
Equine Dental Provider	\$100		
Exercise Rider	\$25		
Farrier/Plater/Blacksmith	\$75		
Groom/Hot Walker	\$25		
Groom/Exercise Rider	\$25		
Groom/Pony Person	\$25		
Jockey	\$100	\$200	\$300
Jockey Agent	\$100		
Kennel	\$75		
Kennel Helper	\$25		
Kennel Owner	\$100	\$200	\$300
Kennel Owner/Owner	\$100	\$200	\$300
Kennel Owner/Owner-Trainer	\$100	\$200	\$300
Kennel Owner/Trainer	\$100	\$200	\$300
Lead-Out	\$25		
Maintenance	\$35		
Medical Staff	\$35		
Miscellaneous	\$25		
Multiple Owner	\$35	\$70	\$105
Mutuel Clerk	\$35		
Mutuel Other	\$35		
Owner	\$100	\$200	\$300
Owner-Trainer	\$100	\$200	\$300
Pony Person	\$25		
Racing Industry Representative	\$100		
Racing Industry Staff	\$30		
Racing Official	\$50		
Security Officer	\$30		
Stable Foreman	\$50		
Tattooer	\$100		
Test Technician	\$25		
Trainer	\$100	\$200	\$300
Training Facility Employee	\$30		
Training Facility General Manager	\$50		
Valet	\$25		

CHAPTER 311. OTHER LICENSES

SUBCHAPTER A. LICENSING PROVISIONS

DIVISION 1. OCCUPATIONAL LICENSES

Vendor Concessionaire	\$100		
Vendor/Concessionaire Employee	\$30		
Vendor/Totalisator	\$500		
Vendor/Totalisator Employee	\$50		
Veterinarian	\$100	\$200	\$300
Veterinarian Assistant	\$30		

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 1/25/17

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

Please submit this information to the attention of the Executive Director *at least 14 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

Texas Racing Commission  
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Austin, TX 78754-4552  
Phone: 512/833-6699 Fax: 512-833-6907  
email: [info@txrc.texas.gov](mailto:info@txrc.texas.gov)

**Contact Information:**

Name:	Racing Staff	Phone(s):	(512) 833-6699
E-mail address:	<a href="mailto:info@txrc.texas.gov">info@txrc.texas.gov</a>	Fax number:	(512) 833-6907
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 313 Rule: 24

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: TRA § 3.02

### **A. Brief Description of the Issue**

At the direction of the Executive Director, TRC staff compared the ARCI model rules on racing issues to the Commission's rules to identify any areas in which TRC's rules could be improved. Staff has identified a potential efficiency improvement based on the model rule regarding the report submitted to the executive director at the conclusion of a race meeting.

### **B. Discussion of the Issue and Problem**

ARCI Model Rule ARCI-006-015, Stewards, addresses the duties of the racing stewards and requires the presiding steward to submit a report to the executive director within seven days of a race meet's conclusion. The current TRC rules requires all of the stewards to submit this report. However, TRC typically retains only the presiding steward at a racetrack for a few days after a meet has ended; the other stewards are released and participate in preparing the report remotely. Allowing the presiding steward to complete the report independently will be more efficient and will eliminate the extra hours worked by the two other stewards.

### **C. Possible Solutions and Impact**

The relevant portion of the model rule, ARCI 006-015(l)(3), provides:

*Not later than seven days after the last day of a race meeting, the presiding steward shall submit to the Commission a written report regarding the race meeting. The report shall contain:*

- (a) the stewards' observations and comments regarding the conduct of the race meeting and the overall conditions of the association grounds during the race meeting; and*
- (b) any recommendations for improvement by the association or action by the Commission.*

The Commission's proposal closely tracks this language.

The only expected impact of this change is that it will be more efficient for staff to prepare the the report because it will not require the coordination and participation of all three stewards at a time when two of the stewards have left the track.

### **D. Support or Opposition**

The proposal was discussed at the Rules Committee meeting on March 28, 2017. No attendee spoke in opposition to the proposal and the Committee authorized staff to bring it to the Commission for consideration.

### **E. Proposal**

See next page.

CHAPTER 313. OFFICIALS AND RULES OF HORSE RACING

SUBCHAPTER A. OFFICIALS

DIVISION 2. DUTIES OF STEWARDS

1   **313.24. Records and Reports**

2   (a)-(b) (No change.)

3   (c) Not later than seven days after the last day of a race  
4 meeting, the presiding steward[s] shall submit to the executive  
5 secretary a written report regarding the race meeting. The  
6 report must contain:

7       (1) the presiding steward's [~~stewards~~] observations and  
8 comments regarding the conduct of the race meeting and the  
9 overall conditions of the association grounds during the race  
10 meeting; and

11       (2) any recommendations for improvement by the association  
12 or action by the Commission and any recommendations for changes  
13 to the Rules.

B. Rule Adoptions. These proposals were published in the March 10, 2017, edition of the *Texas Register* and are eligible for adoption.

1. Adoption of Amendment to Rule 309.154, Stable or Kennel Area
2. Adoption of Amendment to Rule 311.105, Jockeys
3. Adoption of Amendment to Rule 311.302, Subject to Testing
4. Adoption of Amendment to Rule 311.304, Taking of Specimens
5. Adoption of Amendment to Rule 311.308, Penalties
6. Adoption of Amendment to Rule 313.501, Training Facility License
7. Adoption of Amendment to Rule 315.1, Required Officials

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 1/25/17

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

Please submit this information to the attention of the Executive Director *at least 14 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

Texas Racing Commission  
8505 Cross Park Drive, Suite 110  
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**Contact Information:**

Name:	Racing Staff	Phone(s):	(512) 833-6699
E-mail address:	<a href="mailto:info@txrc.texas.gov">info@txrc.texas.gov</a>	Fax number:	(512) 833-6907
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 309 Rule: 154

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: TRA § 3.02

### **A. Brief Description of the Issue**

At the direction of the Executive Director, TxRC staff compared the ARCI model rules on racing issues to the Commission's rules to identify any areas in which TxRC's rules could be improved. Staff has identified a model rule regarding overnight access to the backside as a potential improvement to the safety and integrity of racing.

### **B. Discussion of the Issue and Problem**

ARCI Model Rule ARCI-007-025, Operations, addresses security on an association's grounds and includes a requirement that the association maintain a written record of all individuals admitted to the stable area between midnight and 5:00 a.m. The agency has already taken several steps recently to improve backside security, including implementing a random drug testing policy and directing association staff to maintain tighter oversight of the backside entry gates. However, late night hours provide a relatively open opportunity for anyone would wants to transport contraband onto the backside.

### **C. Possible Solutions and Impact**

The relevant portion of the model rule provides:

*A written record of all individuals admitted to the stable area between the hours of 12:00 midnight and 5:00 a.m. shall be maintained. At a minimum this record shall contain the name of the person admitted, the person's license number and the time admitted.*

The Commission's proposal closely tracks this language and also requires association staff to provide the daily logs to the Commission's investigator regularly or at the earliest opportunity when an investigator returns to duty.

The impact on the association should be minimal as Rule 309.154 already requires the association to provide continuous security service during the period of lockdown and to ensure that each person entering or present in the stable area displays a license badge or security pass. By allowing the investigators to monitor the entrance of people to the backside during off hours, they can identify potential sources of contraband such as impermissible medications and electrical devices.

### **D. Support or Opposition**

The proposal was discussed at the Rules Committee's meeting on January 31, 2017, and again at the Commission meeting on February 16, 2017. Hearing no objection, the Commission authorized staff to publish the proposal in the *Texas Register*, where it appeared in the March 10, 2017, edition.

The Commission received no comments in response to the publication of the proposed amendment, and none were presented at the Rule Committee's meeting on March 28, 2017. The Committee authorized staff to bring it to the full Commission for consideration.

### **E. Proposal**

See next page.

CHAPTER 309. RACETRACK LICENSES AND OPERATIONS

SUBCHAPTER B. OPERATION OF RACETRACKS

DIVISION 3. OPERATIONS

1 **309.154. Stable or Kennel Area**

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

3 (d) A written record of all individuals admitted to the stable  
4 or kennel area between the hours of 12:00 midnight and 5:00 a.m.  
5 shall be maintained. At a minimum, this record shall contain the  
6 name and license number of the person admitted and the time  
7 admitted. The daily logs shall be delivered to the Commission  
8 investigator regularly or at the earliest opportunity when an  
9 investigator returns to duty.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 1/25/17

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

Please submit this information to the attention of the Executive Director *at least 14 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

Texas Racing Commission  
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**Contact Information:**

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Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 311 Rule: 105

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: TRA § 3.02

### **A. Brief Description of the Issue**

At the direction of the Executive Director, TxRC staff compared the ARCI model rules on racing issues to the Commission's rules to identify any areas in which TxRC's rules could be improved. Staff has identified as a potential improvement a model rule that requires jockeys to weigh no more than 130 pounds at the time of application.

### **B. Discussion of the Issue and Problem**

ARCI Model Rule ARCI-008-030, Jockeys, addresses jockey eligibility and includes a requirement that jockeys weigh no more than 130 pounds at the time of application. As jockeys who weigh more than 130 pounds cannot meet the rules' weight limitations, there is no reason to issue such an applicant a license. The rule proposal also supports staff's efforts to limit access to the backside to only those licensees who have legitimate reasons to be there.

### **C. Possible Solutions and Impact**

The relevant portion of the model rule provides:

*A person whose weight exceeds 130 pounds at the time of application shall not be licensed as a jockey.*

The Commission's proposal closely tracks this language, although it requires that the jockey weigh under 130 pounds at the time the license is issued rather than at the time of application. This will allow for the possibility that an applicant weighing over 130 pounds at the time of application will lose sufficient weight to qualify while the application is pending.

The impact on licensees should be minimal, as jockeys weighing over 130 pounds cannot race. By ensuring that jockey licenses are only issued to jockeys who are capable of racing, the Commission will ensure that persons without legitimate reasons to be on the backside are not granted licenses.

### **D. Support or Opposition**

The proposal was discussed at the Rules Committee's meeting on January 31, 2017, and again at the Commission meeting on February 16, 2017. Hearing no objection, the Commission authorized staff to publish the proposal in the *Texas Register*, where it appeared in the March 10, 2017, edition.

The Commission received no written comments in response to the publication of the proposed amendment. At the Rule Committee's meeting on March 28, 2017, John Beech of the Jockeys' Guild spoke in favor of the proposed rule. The Committee authorized staff to bring it to the full Commission for consideration.

### **E. Proposal**

See next page.

CHAPTER 311. OTHER LICENSES

SUBCHAPTER B. SPECIFIC LICENSES

1 **311.105. Jockeys**

2 (a) License.

3 (1) To be licensed as a jockey or apprentice jockey, an  
4 individual must be at least 16 years of age, weigh no more than  
5 130 pounds at the time of licensure, and provide proof of a  
6 satisfactory physical examination as described in subsection (b)  
7 of this section.

8 (2)-(3) (No change.)

9 (b)-(d) (No change.)

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 9/19/16

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

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Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 311 Rule: 308

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: 311 Rule: 302

Chapter: 311 Rule: 304

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: TRA §§3.02, 7.04

## **A. Brief Description of the Issue**

There have been a number of human methamphetamine positives and drug test refusals among licensees who handle horses, with the resulting possibility that some of the recent methamphetamine positives in horses were the result of human contamination.

## **B. Discussion of the Issue and Problem**

Commission Rule 311.308 currently establishes the following penalties for failing a drug test:

- A first violation will result in a minimum 30 day suspension and referral to an outside medical review officer (MRO) for evaluation. Before being reinstated, the licensee must complete any rehabilitation requirements ordered by the MRO and produce a negative drug test result.
- A second violation will result in a minimum 6 month suspension and the licensee must enter a certified substance abuse program approved by the MRO. Before being reinstated, the licensee must satisfactorily complete the substance abuse program and any other rehabilitation requirements ordered by the MRO and produce a negative drug test result.
- Third and subsequent violations will result in a minimum one year suspension and the stewards shall refer the licensee to the Commission.

Licensees who refuse drug tests are treated the same as if they had tested positive in accordance with the penalty schedule described above.

However, the recent increase in positive human drug tests show that drug use is a problem among certain licensees and that the current penalties are insufficient to correct the behavior. Further, the recent increase in methamphetamine positives in equine samples raises the possibility that some drug-using licensees may be contaminating horses through their handling of them. Finally, the current penalties are not sufficiently aligned with the potential damage done to the trainer and owner for a contaminated horse; first-offense Class A penalties against the trainer are a one year suspension and a \$10,000 fine, and the owner is subject to the loss of purse and having the horse removed from competition for 90 days.

## **C. Possible Solutions and Impact**

The original proposals provided for license revocation for any individual who tests positive or refuses to submit to a drug test. They also provided that drug tests could be conducted under an episodic random drug testing policy, which is one that occurs during periods of increasing risk of drug users on the backside, such as at the beginning of a meet when there are more new licensees present.

## **D. Support or Opposition**

The proposal was discussed at the Rules Committee's meeting on September 15, 2016, where industry representatives cautiously expressed concern that the original proposal's license revocation after a first offense may be overly harsh, especially in light of their personal experiences where some employees have made mistakes with drug use yet have later redeemed themselves as valuable employees.

The proposal has been amended to change the penalty for a first violation to a six-month suspension, with the same reinstatement requirements as are currently in place, and provides for license revocation for a second violation. The amendments to §301.1

and §311.303 to provide for episodic random testing have been removed because §301.1 is already under amendment to add a definition for Paper/Program Trainer; these amendments may be brought back for consideration at a future date.

The proposal was discussed again at the Rules Committee's meeting on January 31, 2017, and at the Commission meeting on February 16, 2017. Hearing no objection, the Commission authorized staff to publish the proposal in the *Texas Register*, where it appeared in the March 10, 2017, edition.

The Commission received no comments in response to the publication of the proposed amendment, and none were presented at the Rule Committee's meeting on March 28, 2017. The Committee authorized staff to bring it to the full Commission for consideration.

#### **E. Proposal**

See the following four pages for the proposed amendments to Rules 311.302, 311.304, and 311.308.

CHAPTER 311. OTHER LICENSES

SUBCHAPTER D. ALCOHOL AND DRUG TESTING

DIVISION 1. DRUGS

1 **Sec. 311.302. Subject to Testing**

2 (a) The stewards or racing judges may require an occupational  
3 licensee acting pursuant to the license to submit to a urine  
4 test or other non-invasive fluid test at any time while on  
5 association grounds.

6 (b) A licensee who refuses to submit to such a test when  
7 requested to do so by the stewards or racing judges shall be  
8 suspended for at least six months [~~30 days~~]. The stewards or  
9 racing judges shall revoke the license of a licensee who refuses  
10 to submit to a test for a [the] second or subsequent time.  
11 [~~shall be suspended by the stewards or racing judges for at~~  
12 ~~least six months. In addition, for a first or second refusal,~~  
13 ~~the licensee shall be referred to the medical review officer in~~  
14 ~~accordance with the penalties and conditions for the associated~~  
15 ~~violation under §311.308 of this title (relating to Penalties).~~  
16 ~~A licensee who refuses to submit to a test for a third or~~  
17 ~~subsequent time shall be suspended by the stewards or racing~~  
18 ~~judges for one year and referred to the Commission.]~~

CHAPTER 311. OTHER LICENSES

SUBCHAPTER D. ALCOHOL AND DRUG TESTING

DIVISION 1. DRUGS

1 **Sec. 311.304. Taking of Specimens**

2 (a) (No change.)

3 (b) The specimen shall be immediately sealed and documented  
4 [~~tagged~~] on a form provided by the executive secretary, and the  
5 licensee shall sign the form. The portion of the form that  
6 accompanies the specimen to the laboratory for analysis may not  
7 identify the licensee by name.

8 (c)-(d) (No change.)

CHAPTER 311. OTHER LICENSES

SUBCHAPTER D. ALCOHOL AND DRUG TESTING

DIVISION 1. DRUGS

1 **Sec. 311.308. Penalties**

2 (a) The stewards or racing judges shall impose penalties in  
3 accordance with this section for a violation of §311.301 of this  
4 title (relating to Use Prohibited). A penalty imposed under this  
5 section is appealable pursuant to §307.67 of the Rules (relating  
6 to Appeal to the Commission.)

7 (b) If the stewards or racing judges require a licensee to  
8 submit to testing under §311.302 of this title (relating to  
9 Subject to Testing) as prescribed under §311.303 of this chapter  
10 (relating to Method of Selection), the stewards or racing judges  
11 shall prohibit the licensee from participating in racing for the  
12 remainder of that day.

13 (c) For a first violation, the stewards or racing judges shall:

14 (1) suspend the licensee's license for at least six months  
15 [~~30 days~~]; and

16 (2) prohibit the licensee from participating in racing  
17 until:

18 (A) the licensee's condition has been evaluated by the  
19 medical review officer or a person designated by the  
20 medical review officer under §311.306 of this title  
21 (relating to Medical Review Officer);

22 (B) the licensee has satisfactorily complied with any  
23 rehabilitation requirements ordered by the medical review  
24 officer; and

25 (C) the licensee has produced a negative test result.

26 (d) For a second or subsequent violation, the stewards or racing  
27 judges shall revoke the licensee's license.[+]

28 [~~(1) suspend the licensee's license for at least six~~  
29 ~~months; and]~~

CHAPTER 311. OTHER LICENSES

SUBCHAPTER D. ALCOHOL AND DRUG TESTING

DIVISION 1. DRUGS

1        [~~(2) prohibit the licensee from participating in racing~~  
2 ~~until:~~]

3            [~~(A) the licensee has satisfactorily completed a~~  
4 ~~certified substance abuse rehabilitation program approved~~  
5 ~~by the medical review officer; and]~~

6            [~~(B) the licensee produces a negative test result.]~~

7 [~~(e) For a third or subsequent violation, the stewards or racing~~  
8 ~~judges shall suspend the licensee for one year and refer the~~  
9 ~~licensee to the Commission.]~~

10 (e)[~~(f)~~] After a suspended licensee has satisfactorily complied  
11 with any rehabilitation requirements ordered by the medical  
12 review officer or completed a certified substance abuse  
13 rehabilitation program approved by the medical review officer,  
14 the licensee may apply to have the license reinstated. The  
15 stewards or racing judges shall reinstate the license if the  
16 stewards or racing judges determine the licensee poses no danger  
17 to other licensees or race animals and that reinstatement is in  
18 the best interest of racing. On reinstatement, the stewards or  
19 racing judges shall require the licensee to submit to further  
20 drug testing to verify continued compliance with the Rules and  
21 complete any additional rehabilitation or after-care drug  
22 treatment recommended by the medical review officer.

23 (f)[~~(g)~~] All specimens to be tested under this subchapter shall  
24 be obtained and tested in accordance with §311.304 (relating to  
25 Taking of Samples.) The Commission shall pay the cost of the  
26 initial test. The licensee being tested is responsible for  
27 paying the costs of all subsequent tests.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 1/25/17

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

Please submit this information to the attention of the Executive Director *at least 14 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

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Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 313 Rule: 501

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: TRA § 3.02

### **A. Brief Description of the Issue**

TxRC Rule 313.501 currently provides that training facility licenses expire on December 31 regardless of when they are issued. This provides a significant disincentive for training facilities to become licensed in the second half of the year.

### **B. Discussion of the Issue and Problem**

Training facility licenses expire at the end of the calendar year in which they were issued. This proposal would change the expiration date to one year after the end of the month of issuance. This will make the renewal provisions of training facility licenses consistent with those of occupational licenses and would also be more equitable for facilities applying for licenses in the latter part of the calendar year.

### **C. Possible Solutions and Impact**

There are two potential approaches that would make the license terms more equitable: (1) make the licenses effective for a full year, regardless of when they are issued, or (2) pro rate the license fee based on when the license is issued. The latter solution would be administratively more difficult and would result in a process that is still not consistent with other license types.

### **D. Support or Opposition**

The proposal was discussed at the Rules Committee's meeting on January 31, 2017, and again at the Commission meeting on February 16, 2017. Hearing no objection, the Commission authorized staff to publish the proposal in the *Texas Register*, where it appeared in the March 10, 2017, edition.

The Commission received no comments in response to the publication of the proposed amendment, and none were presented at the Rule Committee's meeting on March 28, 2017. The Committee authorized staff to bring it to the full Commission for consideration.

### **E. Proposal**

See next page.

CHAPTER 313. OFFICIALS AND RULES OF HORSE RACING

SUBCHAPTER E. TRAINING FACILITIES

1 **Sec. 313.501. Training Facility License**

2 (a) A training facility must be licensed by the Commission in  
3 accordance with this section to provide official workouts.

4 Except as otherwise provided by this subchapter, an official  
5 workout obtained at a training facility licensed under this  
6 section satisfies the workout requirements of §313.103 of this  
7 title (relating to Eligibility Requirements).

8 (b) A training facility license expires one year after the last  
9 day of the month [~~on December 31 of the year~~] in which the  
10 license was issued. An applicant for a training facility license  
11 must submit with the application documents the license fee of  
12 \$1,800. [~~The annual fee for a training facility license is~~  
13 ~~\$1,800, which is due and payable to the Commission on receipt of~~  
14 ~~the license certificate.~~]

15 (c) A training facility license is personal to the licensee and  
16 may not be transferred.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 1/25/17

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

Please submit this information to the attention of the Executive Director *at least 14 days* in advance of the next scheduled Committee on Rules meeting. An electronic form is available to assist in your submission or feel free to add additional pages as necessary in order to provide as much detail as possible. Filing this request does not guarantee that your proposal will be considered by the Committee on Rules.

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Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Racing Commission  
(Name of Organization)

Proposed Change to (if known): Chapter: 315 Rule: 1

Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Other Rules Affected by Proposal (if any): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

Statutory Authority for Proposed Change: TRA § 3.02

### **A. Brief Description of the Issue**

In preparing for the current race meet at Valley Race Park, staff observed a discrepancy in the lists of required officials between the rules for horse tracks versus greyhound tracks.

### **B. Discussion of the Issue and Problem**

TxRC Rule 315.1, Required Officials, lists the greyhound racing officials required to be present at each greyhound race. Currently, the track superintendent is not on that list. However, Rule 313.1, Racetrack Official, includes the track superintendent among the required officials at horse race meetings. For consistency, and to ensure that greyhound racing surfaces receive appropriate attention, staff proposes that the track superintendent be added to the list of race officials in Rule 315.1.

### **C. Possible Solutions and Impact**

The proposed solution is to add track superintendents to the list of race officials in Rule 315.1.

There will be some impact to the association from this change because the current rule does not require that the track superintendent be present for each race, while the proposal does.

### **D. Support or Opposition**

The proposal was discussed at the Rules Committee's meeting on January 31, 2017, and again at the Commission meeting on February 16, 2017. Hearing no objection, the Commission authorized staff to publish the proposal in the *Texas Register*, where it appeared in the March 10, 2017, edition.

The Commission received no comments in response to the publication of the proposed amendment, and none were presented at the Rule Committee's meeting on March 28, 2017. The Committee authorized staff to bring it to the full Commission for consideration.

### **E. Proposal**

See next page.

CHAPTER 315. OFFICIALS AND RULES FOR GREYHOUND RACING

SUBCHAPTER A. OFFICIALS

DIVISION 1. APPOINTMENT OF OFFICIALS

1 **315.1. Required Officials**

2 (a) The following officials must be present at each greyhound  
3 race conducted in this state:

4 (1) at least two racing judges;

5 (2) a commission veterinarian;

6 (3) an association veterinarian;

7 (4) a racing secretary;

8 (5) an assistant racing secretary;

9 (6) a paddock judge;

10 (7) a starter;

11 (8) a clerk of scales;

12 (9) a mutuel manager;

13 (10) a chart writer;

14 (11) a photofinish operator and timer;

15 (12) a kennel master; [~~and~~]

16 (13) a mechanical lure operator; and

17 (14) a track superintendent.

18 (b)-(c) (No change.)