

BEFORE THE
TEXAS RACING COMMISSION
AUSTIN, TEXAS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMISSION MEETING
MARCH 1, 2011

BE IT REMEMBERED that the above entitled matter came on for hearing on the 1st day of March, 2011, beginning at 10:30 A.M. at the Texas Animal Health Commission, 2105 Kramer Lane, Austin, Travis County, Texas, and the following proceedings were reported by SHERRI SANTMAN FISHER, Certified Shorthand Reporter for the State of Texas.

APPEARANCES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Commissioners:

- ROLANDO PABLOS
- ROBERT SCHMIDT
- RONALD F. EDERER
- MIKE MARTIN
- GLORIA HICKS
- SCOTT HAYWOOD
- VICKI WEINBERG
- ANN O'CONNELL

1 CHAIRMAN PABLOS: Okay, folks. Good
2 morning. The time is 10:30. And at this time I'll
3 call today's Texas Racing Commission meeting to order.

4 Carolyn, will you please call roll?

5 MS. WEISS: Commissioner Ron Ederer?

6 COMMISSIONER EDERER: Present.

7 MS. WEISS: Commissioner Scott Haywood?

8 COMMISSIONER HAYWOOD: Present.

9 MS. WEISS: Commissioner Gloria Hicks?

10 COMMISSIONER HICKS: Present.

11 MS. WEISS: Commissioner Mike Martin?

12 COMMISSIONER MARTIN: Present.

13 MS. WEISS: Commissioner Ann O'Connell?

14 MS. O'CONNELL: Present.

15 MS. WEISS: Commissioner Vicki Weinberg?

16 COMMISSIONER WEINBERG: Present.

17 MS. WEISS: Vice-chairman Robert

18 Schmidt?

19 VICE-CHAIRMAN SCHMIDT: Present.

20 MS. WEISS: Chairman Rolando Pablos?

21 CHAIRMAN PABLOS: Present.

22 Do we have a quorum?

23 MS. WEISS: Yes, we do.

24 CHAIRMAN PABLOS: Thank you.

25 At this time I'll move on to Item II.

1 You know, when I heard that Tom Clowe was stepping down
2 from this Commission, you know, I was very sad. And I
3 really mean that because, Tom, you have been the best
4 to work with. You're a man of honor, integrity,
5 dignity, and you were always there for us. You are a
6 stickler for process, procedure, and transparency.

7 And so I don't know how to thank you for
8 all your good work that you've done here. I'm
9 personally going to miss you, I know. The
10 Commissioners are going to miss you. And so I thank
11 you for coming today to give -- giving us the
12 opportunity to thank you in the public, recognize all
13 your good work.

14 You've done so much work for the State,
15 you know, with other agencies as well. And, you know,
16 everybody ought to take a look at what Commissioner
17 Clowe has done and take it as an example of what true
18 public service needs to be.

19 So, Tom, I'd like to present you --

20 MR. CLOWE: Is this where I get the car?

21 CHAIRMAN PABLOS: You win the lottery.

22 Step over here.

23 Well, at this time I'd like to present
24 you with this token of our appreciation. It's a plaque
25 that basically lists all of our names and thanks you

1 for all your good work at this Commission. And so at
2 this time I want to say thank you very much on behalf
3 of the Commission.

4 MR. CLOWE: Thank you very much.

5 CHAIRMAN PABLOS: If you'd like to say
6 some words, the microphone is open.

7 MR. CLOWE: Thank you. Thank you all
8 very much. It was a pleasure, Mr. Chairman. And
9 Commissioners, each and every one of you, it was a
10 delight to deliberate with you and to deal with the
11 issues that face this industry. And I want to thank
12 each and every one of you for your service to this
13 agency, this board, and to the State of Texas. Very,
14 very few people know how much Commissioners give of
15 their time and their effort to serve this state. So I
16 would like to reflect back to you my appreciation for
17 what you give to this state.

18 To the staff, it was a pleasure to work
19 with you. You are dedicated. You are sincere. You're
20 knowledgeable. You deal with a very complex industry
21 and do an exemplary job.

22 To those of you in the industry, the
23 horsemen, the dog people, the operators, breeders, the
24 trainers, good luck in the future. You're wrestling
25 with difficult problems, an industry that clearly is

1 facing challenges. You're dedicated. You are
2 sincere. And I know that staff and this board will
3 work with you to reach solutions that are probably yet
4 to be identified.

5 My time on this board was very
6 enjoyable. It's a pleasure to work with energetic,
7 intelligent people who really are doing a good job.
8 Thank you for this recognition and good luck.

9 CHAIRMAN PABLOS: Tom, we thank you very
10 much. All our best.

11 We have next on our agenda an item
12 recognizing the new Public Safety Commission designee,
13 but at this time we're going to go ahead and skip
14 that.

15 We have one person signed up for public
16 comment under Item 3. I have Mr. Jim Helzer. Would
17 you please come up?

18 Mr. Helzer, I'll limit your testimony to
19 three minutes, please.

20 MR. HELZER: Okay. Good morning,
21 Mr. Chairman, Commissioners, and members of the staff.
22 I'm Jim Helzer. I reside at 8110 Russell Curry Road in
23 Arlington, Texas. And I'm here to speak on my behalf.
24 I'm a small owner, small breeder. And the racing in
25 Texas is struggling and I would like to voice my

1 extreme displeasure of what this Commission has been
2 getting done over the last 18 months. Okay?

3 We have had applications in here to
4 change ownership of racetracks for 17 months. It
5 hasn't been done. And it looks to me like the only
6 thing we're trying to figure out is how come we can't
7 get it done rather than how we can get it done.

8 You know, I run several companies.
9 That's not the way I act. That's not the way you get
10 business done. You home in on the problem. You
11 address the problem. You come up with a solution. And
12 we haven't done that. And I think we hold you guys
13 accountable and ladies accountable for not getting
14 anything done.

15 This racing in Texas is on its ear. You
16 well know that. And you're here to help guide it and
17 make it prosper. I see none of that happening at all.
18 None of that happening at all. It's time to home in on
19 the problems and get something done.

20 You know, I've heard comments as well,
21 we're worried about parking spaces, we're worried about
22 fire hydrants, and all those kind of things. All of
23 that is down there in the noise, gentlemen, ladies. We
24 need to address the problems. And the problem is get
25 racing going in Texas. And you need to address the

1 problems and come up with solutions.

2 There's a solution to every problem. If
3 we can send men to the moon, we can certainly fix
4 racing in Texas. Rather than be at the bottom of the
5 totem pole as far as the racing in the United States,
6 we can be the top.

7 We have a united effort between the
8 horsemen, the racetracks, and hopefully the
9 Commission. Right now I don't see that coming from the
10 Commission. But we do have a united effort coming from
11 the horsemen, the racetracks, and I'll also include the
12 greyhounds in there. I mean totally united. We're on
13 the same page. We can get things done, but we need
14 some help. And I would like to solicit your help in
15 making those tough decisions and getting done.

16 You know, I hear comments as well, we
17 can't get it done for this reason and that reason
18 because we've got a legal hang-up. I deal with
19 attorneys every day. My position with attorneys is
20 very simple. You tell me the law. I'll make the damn
21 decision. And that's the way it should be. You can't
22 get rest with attorneys to make your decisions for
23 you. You have to do it on your own. You have to tell
24 them what direction you want to go, send them in that
25 direction, and make things happen. And until we do

1 that, we're going to be behind the eight ball forever.

2 Thank you very much. I appreciate you
3 listening to me.

4 CHAIRMAN PABLOS: Thank you very much,
5 Mr. Helzer. I think your testimony is extremely
6 timely. Your testimony is extremely timely, especially
7 now that we have a legislative session in place. And
8 so I encourage you to also go down to the capitol and
9 make your voice be heard. I appreciate that. Thank
10 you.

11 Item IV, general business, we're going to
12 take Item A, a report by the interim executive director
13 and staff regarding administrative matters.

14 Chuck, please?

15 MR. TROUT: Good morning, Commissioners.
16 In your packet we provided copies of four reports.
17 They are the budget and finance update prepared by our
18 deputy director for finance and administration, Shelley
19 Harris-Curtsinger; a report on racetrack inspections
20 prepared by our compliance audit administrator, Carol
21 Olewin; a report on wagering statistics prepared by our
22 deputy director for wagering and racing review, Sammy
23 Jackson; and the enforcement report prepared by our
24 deputy director for racing oversight, Mike Gougler.

25 The reports are fairly routine. If you

1 have any questions, we'll be happy to try and answer
2 them.

3 While the budget and finance report is
4 fairly typical, these are not typical times. I
5 understand that the chairman has a few words from the
6 Governor's office to relay.

7 CHAIRMAN PABLOS: Thank you, Chuck.

8 We've received a letter from the
9 Governor's office as it relates to our budget. And,
10 Chuck, forgive me. I didn't bring it with me. But the
11 gist of the letter is basically the Governor's office
12 is asking us to begin to identify nonessential duties,
13 nonessential functions of our agency, and begin to
14 prepare a plan to either curtail or eliminate all
15 nonessential functions.

16 Mark, Chuck, can you add to what I'm
17 saying? That way everybody is clear on what is being
18 asked of us.

19 MR. TROUT: I'm sorry, sir. We don't
20 have a copy of that message. But Shelley --

21 CHAIRMAN PABLOS: So as a result -- as a
22 result, what I wanted to do is just alert you that we
23 received that letter and we'll post that letter on the
24 Internet so you can -- so you all can view it.

25 But at this time, Chuck, what I wanted to

1 do is direct you, on behalf of the Commission, to take
2 what that letter is asking and present to us a plan
3 prior to next meeting so that we can have it, we can
4 review it, and by next meeting's time we can take some
5 action on it.

6 MR. TROUT: Yes, sir.

7 CHAIRMAN PABLOS: So that's our direction
8 to you.

9 But it is specifically stating that we
10 need to curtail or eliminate all nonessential functions
11 of the agency. And I believe that every agency has
12 received one. It's not just us.

13 Okay. Thank you.

14 Our next item is Item 5, the report on
15 status of sunset legislation and legislative proposals
16 by the 82nd Texas Legislature.

17 Chuck?

18 MR. TROUT: Commissioners, the sunset
19 legislation is at the top of our priority list.
20 Currently the sunset staff is working with Legislative
21 Council on the bill draft. There is no additional
22 information I have to provide at this point. We hope
23 to know more soon and we will provide you with updates
24 as the process moves forward.

25 I and several other members of the staff

1 have provided testimony to various committees over the
2 past couple of weeks, including a House appropriations
3 subcommittee, Senate Finance, and housing, licensing,
4 and administrative procedures. We do not anticipate
5 issues as the appropriations process moves forward.

6 We did ask specifically for two items.
7 The LBB is recommending one and we are awaiting the
8 results on the other. The LBB is recommending an
9 amendment to the new racetrack rider to include the
10 language "or opening horse racetrack". This will allow
11 for additional flexibility in appropriations should an
12 inactive track decide to reopen and request race dates
13 during the 2012-2013 biennium.

14 We made our second request due to a
15 difference in comptroller and Commission revenue
16 estimates. That difference relates to the Texas-bred
17 funds. We requested that the word "estimated" be added
18 back to the Texas-bred fund strategy. It used to be in
19 the strategy but was removed in the FY 2004-2005
20 biennium. This would allow for our estimate to be
21 lower to the comptroller's estimate; and then in the
22 event that the agency collects more funding than the
23 estimate set in the Appropriations Act, the agency
24 could ask the comptroller to certify additional
25 appropriations.

1 As you know, Representative Hilderbran is
2 expected to file a bill proposing the consolidation of
3 the Racing Commission, the Lottery Commission, and the
4 Texas Alcoholic Beverage Commission. We have not yet
5 seen that bill as of yet. We are monitoring the
6 situation and will keep you up to date as developments
7 occur.

8 Finally, we continue to watch for bills
9 related to expanded gaming in Texas. As of now, there
10 is nothing of note to report.

11 I'll be glad to answer any questions.

12 CHAIRMAN PABLOS: Any questions,
13 Commissioners?

14 I will say that I met with Representative
15 Harvey Hilderbran and made sure he understood that we
16 have made ourselves available as a resource to him and
17 to the legislators as they proceed with this proposal.
18 So I just wanted you all to know that.

19 Item IV-B, report by the executive
20 director of the search committee -- excuse me, of the
21 search committee chair.

22 Will you please give us your report,
23 Dr. Schmidt?

24 VICE-CHAIRMAN SCHMIDT: Thank you,
25 Mr. Chairman. A search committee was appointed in

1 December; and in December we posted the job for
2 executive director in The Bloodhorse, Thoroughbred
3 Times, and the appropriate State registries. To date
4 we've received over 30 applicants.

5 During the month of January each member
6 of the search committee reviewed the applicants we had
7 received, rated those applicants, and we selected a
8 smaller group for interviews in mid February. Those
9 interviews were completed about two weeks ago. We're
10 in the process of reviewing the additional applications
11 which we have received in February, rating those. We
12 plan to meet in approximately a week to determine
13 whether additional interviews are necessary.

14 That's where we stand at the present.

15 CHAIRMAN PABLOS: Thank you,
16 Dr. Schmidt.

17 Any questions, Commissioners?

18 Thank you very much.

19 At this time we'll move on to Item C.
20 I'd like to recognize Commissioner O'Connell for the
21 report by the rules committee chair.

22 MS. O'CONNELL: At the November 16th
23 Commission meeting, we voted to post 14 rule proposals
24 in the Texas Register for comment. All of those rules
25 were posted on December 24th. And on February 1st the

1 rules committee met here in Austin and another
2 opportunity was given for the public and stakeholders
3 to give comments on the rules.

4 One proposal was for three amendments to
5 Rule 307.62, which is disciplinary hearings. No
6 written comments were received on that rule and there
7 was no further comment at the February 1st meeting, so
8 that rule is eligible for adoption today.

9 The remaining 13 proposals were for
10 changes to Chapter 321, which is the pari-mutuel
11 wagering chapter. 10 of those proposals received no
12 comments after posting and there were no comments
13 received at the February 1st rules committee meeting.
14 Those rules are on today's agenda as Item -- on page
15 three, Items VII-D-1 through 7 and D-9 through 11.
16 They are eligible for adoption at today's meeting.

17 There were two rule proposals that did
18 receive comments, which are being evaluated; and
19 because of that, they are not on today's agenda. Those
20 are proposals that related to Rule 321.313, which is
21 select four or five, and Rule 321.319, which is the
22 select three pool.

23 Finally, there were comments also
24 received on 321.321, which is the fortune pick (n).
25 That is on today's agenda. Comments were received from

1 Lone Star Park on this rule after it was posted. Lone
2 Star Park suggested some changes. And these were
3 discussed at the rules committee meeting on February
4 1st.

5 There was no opposition expressed for
6 these changes, and general counsel Mark Fenner advised
7 these changes were not substantive and that the rule
8 could proceed for a vote on adoption at the next
9 Commission meeting.

10 After the February 1st meeting,
11 additional changes were submitted by AmTote, who is
12 Lone Star Park's tote provider. These changes were
13 circulated to interested parties and there was no
14 opposition expressed.

15 Mark Fenner has advised that these, too,
16 are not substantive and that this rule could be
17 considered for adoption today without the need for
18 posting in the Texas Register.

19 Also at our rules committee meeting Carol
20 Olewin spoke about potential amendments to Chapter 321,
21 Subchapter B, which is the chapter on tote requirements
22 in the operating environment. Carol reported on
23 feedback she's received from various committees within
24 the national racing community who have been asked to
25 review our proposed changes due to their national

1 implications.

2 She has taken the proposed standards to
3 ARCI. She presented the draft tote standards to the
4 ARCI board of directors at their December 5th meeting
5 in Tucson. The staff seeks to have them considered as
6 an RCI model rule, and the ARCI board has agreed to
7 recommend that they be vetted through their rule review
8 process.

9 I believe that since our rules committee
10 meeting, Carol has also proposed those rules to the
11 ARCI pari-mutuel auditors subcommittee which has voted
12 to send the rules to their wagering systems committee.

13 In addition, we have several requests for
14 rule changes that were discussed at the February 1st
15 meeting, two of which are on today's agenda for
16 possible approval to be posted in the Texas Register
17 for public comment.

18 One is a request by Lone Star Park to
19 amend Rule 313.110, which is the rule on coupled
20 entries. And the request is to eliminate the
21 requirement to couple a trainer's horses when the
22 trainer also owns an interest in one or more of them.
23 The result would be to increase the number of betting
24 interests.

25 The current rule originally was passed to

1 safeguard the betting public from potential collusion.
2 However, all stakeholders present at several rules
3 committee meetings believe that the technology at Texas
4 racetracks as well as the steward authority that's
5 granted in Rule 313.447 would provide safeguards if the
6 coupling rule were eliminated in the way proposed.

7 The staff sought the input of other
8 jurisdictions at the ARCI meeting in December and
9 learned that other jurisdictions do not have a
10 consensus approach. It is believed that that is so
11 because other jurisdictions may or may not have the
12 rules -- rules similar to what we have that provide the
13 safeguards against collusion.

14 At the February 1st rules committee
15 meeting, the only opposition expressed was by Dave
16 Hooper, who was speaking as a member of the public. He
17 expressed some concern that allowing interests to be
18 uncoupled might alarm patrons and expressed some
19 concern that the interests might be able to manipulate
20 around the safeguards.

21 This proposed rule has been on the rules
22 committee agenda for several -- several times. Texas
23 stakeholders have discussed this many times and feel
24 like it's a good idea, although there is some concern
25 about public perception.

1 The committee believes it has -- that
2 this rule is ready to be posted and that it's time to
3 have public comment on the rule, so we recommend that
4 it be posted.

5 Additionally, the Texas Quarter Horse
6 Association has a request to amend Rule 319.111, the
7 bleeders and furosemide program. This relates to
8 horses that have been voluntarily admitted to the
9 bleeders and furosemide program. It was proposed by
10 Rob Werstler. It was discussed at the rules committee
11 meeting in November and again on February 1st.

12 The proposed changes are in line with
13 RCI's model rule and all stakeholders agreed with the
14 proposed amendment. This is on today's agenda for a
15 vote to be approved for posting in the Texas Register
16 for public comment.

17 There are two rule proposals that were
18 discussed at the February meeting which are not on
19 today's agenda. They are a rule proposal by Diane
20 Whiteley, the executive director of the TGA, who
21 requested an amendment to Rule 309.355, Grading
22 Systems, and 311.103, Kennel Owners.

23 Opposition was expressed by Gulf
24 Greyhound Park representatives. We had a lively and
25 lengthy discussion on this proposal. And the rules

1 committee has suggested that the parties explore areas
2 of compromise and return to the rules committee with an
3 update.

4 Finally, we had a request by a patron,
5 John Mule, maybe Mule, M-u-l-e, to amend Rule 321, the
6 definitions and general provisions, as well as 321.35,
7 Claim for Payment, to allow claims for certain lost or
8 destroyed pari-mutuel tickets or vouchers.

9 This was presented by Sammy Jackson, who
10 drafted it on behalf of the proponent. Sammy discussed
11 the technology that is present in other gaming forms,
12 particularly player tracking systems, which would allow
13 associations to verify the legitimacy of such claims.

14 The overall response by associations was
15 favorable. The language of the proposal will need to
16 be adjusted to incorporate some stakeholder comments,
17 so it is not on today's agenda.

18 And that concludes the report.

19 CHAIRMAN PABLOS: Thank you,
20 Commissioner.

21 Are there any questions, Commissioners?

22 I just want to commend you for all your
23 good work. I think we can now see that the rulemaking
24 process for this agency is up to par, well above what
25 it needed to be. We have now gotten to the point where

1 we are very thorough in making rules and incorporating
2 input from the public and ensuring that what we're
3 bringing to the table here makes sense for the industry
4 as a whole.

5 And so I want to congratulate your
6 committee, Commissioner, for all the good work and all
7 the time you're putting into it. And I'm just
8 surprised that it was a lively discussion with the
9 greyhound people. You never have that. I'm kidding.

10 MS. O'CONNELL: The staff is excellent,
11 and I appreciate their support in keeping the committee
12 moving in a timely manner.

13 CHAIRMAN PABLOS: Thank you very much.

14 Let's move on to Item V, proceedings on
15 occupational licenses, a request by Jacky Martin for an
16 amendment to Commission Order 2007-02-02.

17 Mark Fenner, please?

18 MR. FENNER: Commissioners, this is a
19 request that was submitted to the Chair by Jacky
20 Martin. He's an occupational licensee. He was
21 licensed as a jockey in Texas. And he is the subject
22 of an order issued by the Commission in 2008.

23 He was suspended for a total of five
24 years, which was five years from the point of a
25 conviction he received, a felony conviction for

1 possession of a controlled substance. It was less than
2 one gram of methamphetamine. At the same time he had a
3 poaching conviction, but the Commission order was
4 focused on the felony conviction for the possession.

5 He went through a period of probation in
6 Parker County; and subsequent to the Commission's
7 order, the judge released him from the community
8 supervision or probation. And as part of his order, he
9 exercised what's called a right of -- or an act of
10 judicial clemency.

11 The order states that Mr. Martin has been
12 released from all penalties and disabilities resulting
13 from the offense for which he was convicted, except as
14 otherwise provided by law.

15 Mr. Martin has -- and his attorney is
16 here to lay out his case. But I believe the crux of
17 what his position is going to be is if the conviction
18 underlying the order has been set aside, then is it
19 appropriate for the order to remain in effect.

20 I can tell you that the order was -- the
21 Commission's order was not a subject of the Parker
22 County judge's decision particularly. So we were not a
23 party. The order is still in effect. It is within
24 your discretion for us to take up the order and decide
25 whether you would like to, as a matter of public

1 policy, adjust that order.

2 I did call the judge and discussed this
3 with him. He was aware that Mr. Martin is a jockey.
4 It was his intent to restore Mr. Martin to full
5 citizenship. He wants him to be able to have voting
6 rights and to be able to serve on a jury and be able to
7 return to his occupation as a jockey.

8 We have also received comments from the
9 Quarter Horse association and the Texas Horsemen's
10 Benevolent and Protective Association in support of
11 Mr. Martin's application or request. Those are in the
12 materials.

13 Beyond that, I don't really have much
14 that I would like to relay to you in an open meeting.
15 If you wanted to talk about underlying things, we can
16 do that perhaps in executive session. But I'm not even
17 sure that's necessary.

18 CHAIRMAN PABLOS: I don't think that's
19 necessary.

20 Mark, does staff have a recommendation on
21 this?

22 MR. FENNER: No, sir, we do not.

23 CHAIRMAN PABLOS: All right. Any
24 questions of Mark, Commissioners? Any clarifying
25 questions?

1 Okay. At this time I'd like to recognize
2 Spencer Smith. Are you here, Spencer Smith?

3 MR. SMITH: Yes, Mr. Chairman.

4 CHAIRMAN PABLOS: Attorney for Jacky
5 Martin. And Mr. Martin.

6 MR. SMITH: Thank you, Mr. Chairman,
7 Commissioners, Mr. Fenner.

8 Before I begin, with your permission, I'd
9 like to hand out some materials that are supplemental
10 to some of the materials that were included in the
11 board's packet that will, I think, make it easier for
12 us to go through these facts quickly.

13 CHAIRMAN PABLOS: Why don't you just go
14 over the facts. I think -- I think it might be more
15 cumbersome to look at the documents.

16 MR. SMITH: Okay. As Mr. Fenner noted,
17 the Board of Stewards order recommending that
18 Mr. Martin's license be suspended was entered in 2007.
19 Mr. Martin's conviction goes back to August of 2006.
20 And in connection with that, he was put on community
21 supervision, which entailed several things that he had
22 to get accomplished, including paying over \$2700 in
23 fines, undergoing substance abuse counseling at his own
24 cost, and completing 240 hours of community service.

25 Mr. Martin has, since the beginning of

1 this incident, taken full responsibility for his
2 actions. He continues to take full responsibility for
3 those actions. And in connection with that community
4 supervision, he did everything in his power to satisfy
5 those obligations as quickly as he possibly could.

6 For instance, by December 1st, 2006, he
7 had completed all 240 hours of his community
8 supervision service hours. Less than a year after
9 entering the plea, by August 13, 2007, he had completed
10 his drug offender education program. And by October
11 2nd, 2009, he had paid all the fines and penalties that
12 he was required to pay in connection with the community
13 supervision.

14 The order from the District Court judge
15 that entered the pleas is a rather unusual order. The
16 granting of judicial clemency is not something you see
17 every day. There's basically the standard mandatory
18 discharge that a Court has to enter when an individual
19 has completed his community supervision. That's
20 mandatory. The judicial clemency order is at the
21 discretion of the Court.

22 And the leading case in Texas is Cuellar
23 v. the State of Texas. It's a Court of Criminal
24 Appeals decision from 2002. The Court describes the
25 aspects of the judicial clemency and talks about the

1 differences between it and a typical discharge. And it
2 describes when a trial judge enters these types of
3 orders.

4 It happens when a trial judge believes
5 that a person on community supervision is completely
6 rehabilitated and is ready to retake his place as a
7 law-abiding member of society. If he finds that, then
8 the trial judge may set aside the verdict or permit the
9 defendant to withdraw his plea and shall dismiss the
10 accusation, complaint, information, or indictment
11 against the defendant, who shall thereafter be released
12 from all penalties and disabilities resulting from the
13 offense or crime for which he has been convicted or to
14 which he has pleaded guilty.

15 And the orders that were entered by the
16 Court in this instance for both the -- both convictions
17 have that language as Mr. Fenner referenced before.

18 If -- and this is from the Court of
19 Criminal Appeals. If a judge chooses to exercise this
20 judicial clemency provision, the conviction is wiped
21 away. The indictment is dismissed. And the person is
22 free to walk away from the courtroom, quote, "released
23 from all penalties and disabilities resulting from the
24 conviction". And that goes back to that same language
25 in the order.

1 The Court concludes that a person whose
2 conviction is set aside pursuant to Article 42.12,
3 Section 20, which is the provision at issue, he is not
4 a convicted felon.

5 The basis for the suspension of
6 Mr. Martin's occupational license as a jockey in the
7 State of Texas was based upon that particular order,
8 the conviction. He is no longer, in Texas, deemed a
9 convicted felon. And for that reason, we believe it
10 would be appropriate for the Texas Racing Commission to
11 amend the order that was entered.

12 And we've drafted an order with some
13 findings of fact and we've circulated that to
14 Mr. Fenner. He's reviewed it, provided comments to it,
15 and we respectfully request that the Court amend that
16 order to allow Mr. Martin to be allowed to reapply for
17 a license without having that former conviction impact
18 his license application.

19 As part of the packet of materials that's
20 in the board materials, you do have a couple of letters
21 of support from the Horsemen's Benevolent and
22 Protective Association and the Texas Quarter Horse
23 Association.

24 The packet of materials that I have here,
25 we've got more letters of support from various

1 individuals in the racing community, including
2 Mr. R. D. Hubbard, Mr. Bobby Cox, Mr. Jim Helzer,
3 Mr. Jorge Haddad, Heath Taylor, Susan Chapman, who's
4 the assistant vice-president of Fort Gibson State Bank,
5 which is an entity where Mr. Martin has taken out a few
6 loans. Her letter demonstrates that he has
7 consistently repaid, on time, his obligations in
8 connection with those loans. And we've also got a
9 letter of support from Marty Cope, who is the New
10 Mexico Racing Commission chair, in support of
11 Mr. Martin.

12 In addition, both the New Mexico Racing
13 Commission and the California Racing Commission have
14 reinstated Mr. Martin or allowed him to apply for a
15 license. He is now licensed in both those states. New
16 Mexico did that in the summer of this year and then
17 California did it in November of this year. We've got,
18 in the packet of materials, two letters of good
19 standing that are current through basically yesterday
20 from both California and New Mexico, demonstrating that
21 Mr. Martin is licensed to race in both of those
22 states.

23 As I mentioned before, Mr. Martin has
24 taken responsibility for these acts. He's worked hard
25 to get his life in order. It is in order. He is

1 rehabilitated. He has done everything that the Court
2 asked him to do. And obviously the Court found that he
3 went beyond even what you normally expect from someone
4 in his position.

5 And with permission of Mr. Chairman,
6 Mr. Martin would like to say just a few words in
7 connection with the issue today.

8 CHAIRMAN PABLOS: Please. By all means.

9 Mr. Martin? Good morning.

10 MR. MARTIN: Good morning, sir, ma'am. I
11 did wrong. I mean, I'm the first to admit it. I mean,
12 I had a lot of newspaper articles this summer at
13 Ruidoso and, you know, it was hard for me to, you know,
14 bring out the bad things that I did. But I mean, I'm
15 very sorry for what I did. And I mean, it was an
16 embarrassment to me and to a lot of people that I rode
17 for and, you know, a lot of friends.

18 But my life has changed. I mean, I'll
19 take a drug test right now, tomorrow, or the next day.
20 Every day you see me at the racetrack, I'll take a drug
21 test. And I'll pay for it if that's what it takes.

22 I could prove to you that, you know, I
23 was -- I think I was very good in New Mexico. I mean,
24 I had a lot of people come up and tell me and express
25 to me, you know, that they've had friends that was, you

1 know, doing drugs and they was having a hard time
2 getting off of them. And I told them, I said, if you
3 want me to talk to them, I'll talk to them because I've
4 been there. I've done it. And it's not that hard if a
5 person wants to and you're in a situation like I was
6 where, I mean, I loved racing. And when it was taken
7 away from me, I was -- I went down on the bottom.

8 But I mean, I could prove to you that I
9 will be a stand-up person. You know, if any time
10 somebody on the Racing Commission wanted me to stand up
11 and talk to a hundred people, I'll do it.

12 You know, I love -- my home was in
13 Texas. I mean, I had to sell my home. When I lost my
14 license, I couldn't pay for it no more. But I mean,
15 I'd love to move back to Texas; but until I can get a
16 racing license here, I won't be able to. I'm sorry.

17 But I'd really appreciate your vote of
18 confidence if you can see forth to give me back my
19 license.

20 CHAIRMAN PABLOS: Thank you for your
21 testimony and thank you for asking for this today.

22 Counsel, do you have anything else to add
23 before I move on?

24 MR. SMITH: Just in closing, we
25 appreciate your time and your consideration of this

1 matter and we'd just respectfully request that you
2 consider this amendment and grant this amendment to
3 allow Mr. Martin, who's had a long and distinguished
4 career as a Quarter Horse racer, be allowed to do what
5 he loves here in the great State of Texas.

6 CHAIRMAN PABLOS: Thank you.

7 I have Rob Werstler signed up to speak,
8 please.

9 MR. WERSTLER: Good morning,
10 Mr. Chairman, Commissioners. Rob Werstler representing
11 the Texas Quarter Horse Association. We submitted a
12 letter, so I just came to entertain any questions you
13 might have.

14 But I'd also like to add to my letter
15 also on a personal note. I've known Mr. Martin since
16 1990 and I've only known him to show up every single
17 day, work hard, ride hard. And of all the races I've
18 ever seen him ride, I've never seen him do anything but
19 give a hundred percent.

20 And I'd entertain any questions you may
21 have.

22 CHAIRMAN PABLOS: Any questions,
23 Commissioners?

24 MR. WERSTLER: Thank you.

25 CHAIRMAN PABLOS: Is there anyone else

1 signed up to speak? Please, sir.

2 Please state your name.

3 MR. BEECH: Good morning, Commissioners,
4 Mr. Chairman. My name is John Beech. I'm the regional
5 manager of the Jockeys' Guild, Incorporated.

6 I represent jockeys in several states and
7 I've had the pleasure of being around Mr. Martin in New
8 Mexico since he came back and he's been exemplary. He
9 sits and talks to jocks. He does everything right.
10 And I just want you to know that he has turned his life
11 around and I have been witness to that. So if you
12 could see it to grant him his license back, we'd
13 appreciate it.

14 Thank you.

15 CHAIRMAN PABLOS: Thank you.

16 Anyone else?

17 Okay. At this time this question -- I
18 have a question for Commissioner Ederer, Commissioner
19 O'Connell, and Mark.

20 Mark and Commissioners, if we originally
21 relied on an order from this judge to move forward with
22 removing the license, follow my logic, if you would.
23 Would we be compelled to follow the same order now that
24 the judge has dismissed this particular case? I mean,
25 from what I'm understanding, the cause was dismissed

1 and he was released from all penalties. Am I using the
2 proper logic on that?

3 COMMISSIONER EDERER: Yes and no. Not
4 necessarily. The Commission would not be bound by the
5 Court's decision to give the relief. However, it
6 certainly should be taken into consideration the
7 intention of the original decision maker, which was the
8 Court, has now given full relief to Mr. Martin. And I
9 think that this Commission should take that into
10 consideration.

11 I was -- I voted actually February 14th,
12 '08, on the action that was taken; and at that time, of
13 course, it was -- primarily it was the drug issue as
14 well as the conviction, but more the drug issue. But
15 Mr. Martin obviously, from what we've just heard, has
16 certainly turned his life around and has now become, as
17 he was before, an asset to the Racing Commission. So I
18 think all of this should be taken into consideration.
19 But we're not bound by what the Court did.

20 CHAIRMAN PABLOS: Okay. And,
21 Commissioner O'Connell, do you have any comments?

22 MS. O'CONNELL: Mark has indicated that
23 it's in our discretion, and I would agree with
24 Commissioner Ederer that the trial court is in the best
25 position to give us insight into Mr. Martin's state of

1 rehabilitation. He would have -- he or she would have
2 been the judge who would have heard any progress
3 reports on his probation. He would have heard if there
4 were any motions to revoke his probation. And it
5 appears that there must not have been if he discharged
6 him from probation in this manner. So that is a good
7 indicia of Mr. Martin's current status.

8 CHAIRMAN PABLOS: Okay. Mark, I have a
9 question. I understand that you have recently run a
10 background check on Mr. Martin. Is that correct?

11 MR. FENNER: Yes, sir.

12 CHAIRMAN PABLOS: And what were the
13 results of that background check? Was there anything
14 in there?

15 MR. FENNER: It does indicate that the
16 convictions have been set aside. However, the
17 convictions are still on the record. It's not an
18 expungement.

19 CHAIRMAN PABLOS: But I guess what I was
20 asking is: Has there been any other activity in his
21 criminal record since this -- I mean, is there anything
22 new that we need to be concerned about?

23 MR. FENNER: No, sir, there has been no
24 subsequent actions against Mr. Martin that are
25 reflected in that background.

1 CHAIRMAN PABLOS: Okay. Commissioners,
2 are there any questions or comments that you might have
3 on this before I ask for a motion?

4 MR. FENNER: I do have one other thing to
5 offer.

6 CHAIRMAN PABLOS: Yes, please.

7 MR. FENNER: The order that Mr. Spencer
8 and I have bounced back and forth a couple of times
9 would state that the underlying conviction is no longer
10 grounds for denying the license. It would order that
11 subject to completion of a successful drug test and the
12 satisfaction of all other Texas Racing Commission
13 racing -- licensing requirements that he would be
14 eligible to be licensed as a jockey.

15 So all this does is it would remove the
16 Commission order. He would still have to undergo a
17 drug test and undergo the regular licensing process as
18 anybody else if that were the Commission's choice.

19 COMMISSIONER EDERER: And you've worked
20 with Mr. Martin's lawyer to put this order together.

21 MR. FENNER: Very quickly. We started
22 working yesterday.

23 COMMISSIONER EDERER: But he agrees.
24 Everyone agrees with this order. Is that correct?

25 MR. SMITH: Yes, Commissioner.

1 CHAIRMAN PABLOS: Okay. So procedurally,
2 the motion would be to amend the prior order?

3 MR. FENNER: Yes, sir.

4 CHAIRMAN PABLOS: Okay.

5 COMMISSIONER EDERER: I would make the
6 motion that we amend our prior order and to adopt the
7 agreed-to order that has been prepared by our counsel.

8 CHAIRMAN PABLOS: Very well. We have a
9 motion. Is there a second?

10 VICE-CHAIRMAN SCHMIDT: Second.

11 CHAIRMAN PABLOS: Seconded by Schmidt.

12 Is there any additional discussion,
13 Commissioners?

14 Okay. At this time I'd like to bring
15 this up for a vote. All those in favor please signify
16 by saying aye.

17 COMMISSIONERS: Aye.

18 CHAIRMAN PABLOS: Any opposed?

19 That motion carries.

20 Congratulations, Mr. Martin. Thank you
21 very much. Now you have to promise to win.

22 MR. MARTIN: Thank you very much.

23 CHAIRMAN PABLOS: Okay. Our next item,
24 we'll move on to Item VI, proceedings on racetracks,
25 VI-A-1, update on application to change ownership and

1 location of Longhorn Downs/Austin Jockey Club.

2 Mark Fenner, please?

3 MR. FENNER: Commissioners, you may
4 remember that this is a transfer that is subsequent to
5 the Commission's -- a request to transfer subsequent to
6 the Commission's denial of a proposal to change
7 ownership to Dallas City Limits. We did receive this
8 application; and in fact, we have reviewed it and
9 determined that it is administratively complete. We
10 sent them a letter saying that January 3rd of this
11 year.

12 We've also learned that on January 4th,
13 the next day, the judge in that litigation between
14 Dallas City Limits and Austin Jockey Club issued what's
15 called a take-nothing judgment against Dallas City
16 Limits. And the bottom line is Austin Jockey Club has
17 won on all counts.

18 Now, that's an appealable decision. I
19 have learned that Dallas City Limits has filed an
20 appeal, so the litigation in that case is ongoing.

21 Dallas -- Austin Jockey Club's current
22 status is that they do own the property near
23 Creedmoor. They do have race dates granted to them, 12
24 dates, which should start on July 29th of this year.
25 Once we get past the Penn Gaming executive director's

1 report, status report, we'll be launching into
2 reviewing and preparing the executive director's report
3 on this application for your consideration.

4 CHAIRMAN PABLOS: Thank you for your
5 report.

6 Any questions, Commissioners?

7 Hearing none, we'll move on to -- I'm
8 sorry.

9 COMMISSIONER WEINBERG: I have a
10 question. Is it feasible to have a facility by July to
11 race? I mean, how realistic are we here?

12 MR. FENNER: That's -- I'm not sure
13 that's a lawyer judgment. It doesn't seem very
14 likely.

15 CHAIRMAN PABLOS: Any other questions,
16 Commissioners?

17 We'll move on to Item 2, update on
18 request by Maxxam, Inc., to change ownership of Sam
19 Houston Race Park, Valley Race Park, and Laredo Race
20 Park.

21 Mark Fenner?

22 MR. FENNER: Commissioners, I'm pleased
23 to report that this review of the Maxxam request has
24 gone very smoothly. They began submitting documents in
25 advance of the application, and then we did receive the

1 application itself on December 13th of 2010.

2 They have been very, very responsive to
3 all our requests. We had some questions about the
4 direction in management and shared control of the new
5 license or proposed license holder. We also had some
6 questions about a signature, which they were very quick
7 to respond to. Mr. Jackson had some questions that
8 they were very responsive.

9 And as a result of all their assistance
10 and diligence, we were able to send them last Friday a
11 letter telling them that that application is
12 administratively complete and we are beginning the
13 preparation of a staff report for your consideration
14 for the transfer of the ownership of Sam Houston,
15 Valley Race Park, and Laredo Race Park to this new
16 entity.

17 CHAIRMAN PABLOS: Mark, when was that
18 application originally filed? How long has it been?

19 MR. FENNER: The application was filed on
20 December 13th.

21 CHAIRMAN PABLOS: So under three months,
22 you were able to process it?

23 MR. FENNER: I believe it's 75 days.

24 CHAIRMAN PABLOS: With Christmas
25 holidays. So here we have an example of someone who's

1 been able to work with you quickly to get this -- the
2 information in and we've been able to turn it around,
3 including DPS background checks, under three months?

4 MR. FENNER: The DPS background checks
5 are not completed yet.

6 CHAIRMAN PABLOS: Okay.

7 MR. FENNER: But I understand that they
8 are making very good progress and we hope to receive
9 those very soon.

10 CHAIRMAN PABLOS: So procedurally, we are
11 done. The application is complete. All we're waiting
12 for is DPS to submit the results of their background
13 checks.

14 MR. FENNER: And we do need to write up a
15 report for your consideration.

16 CHAIRMAN PABLOS: Okay. I have Shawn
17 Hurwitz signed up to speak.

18 Shawn, are you here? Will you please
19 come up?

20 MR. HURWITZ: Thank you. And thank you,
21 Commissioners, for allowing me to speak. I'm Shawn
22 Hurwitz, CEO of Sam Houston Race Park and Laredo Race
23 Park and Valley Race Park.

24 And I'd just like to say thank you to the
25 staff at the Racing Commission for working diligently

1 on our application. We've worked very hard. Penn has
2 worked very hard. Penn has been incredibly responsive,
3 made their folks available quickly, got all the
4 applications once we had them filled out on a timely
5 manner and got them in to staff for review.

6 I'd also like to report that we've been
7 in contact and working very closely with DPS. I expect
8 DPS to be finished with all of their process by the end
9 of this week. It should have -- they should have that
10 over to the Racing Commission by Friday of this week.

11 So I'd just like to request that the
12 Commission take that up as quickly as possible so that
13 we can move on with finalizing our deal.

14 So thank you very much to the staff.
15 Thank you, Commissioners. And I'd be happy to answer
16 any questions.

17 CHAIRMAN PABLOS: Any questions,
18 Commissioners?

19 Mr. Hurwitz, thank you very much. And
20 I'll take your request into consideration. As you
21 know, our next meeting is April 15th; but based on what
22 DPS does, we can work with staff to accommodate that
23 request.

24 MR. HURWITZ: Thank you.

25 CHAIRMAN PABLOS: Is there anything else

1 to add, Chuck, Mark, that you might have on this?

2 MR. TROUT: I don't think so.

3 CHAIRMAN PABLOS: I suppose the DPS
4 report has to be at our offices for 15 days before --

5 MR. FENNER: It has to be on file for 14
6 days before the Commission may hear the application.

7 CHAIRMAN PABLOS: All right. Okay.

8 Well, will you please let us know when the DPS
9 information comes in?

10 MR. FENNER: Yes, sir.

11 CHAIRMAN PABLOS: Thank you very much.

12 Item 3, update on possible -- and
13 possible action.

14 MR. FENNER: Yes, sir. Laredo Downs.
15 Laredo Downs filed a request to transfer the location
16 of its racetrack license to Fort Worth, Tarrant County,
17 the western side of Fort Worth, on November 24th. We
18 sent them a letter in December asking, first of all,
19 that they pay the fee, which they did very promptly,
20 and then also had a question about their proposed
21 location because it was apparent very early on that the
22 proposed location is not zoned for a racetrack. And
23 one of the requirements of the Texas Racing Act is that
24 if you're going to approve a racetrack license in a
25 location that it must be zoned properly for that

1 location.

2 So we sent them a letter back asking "How
3 do you propose to address that?" And the response is
4 that they would like to have a conditional approval of
5 that change with a three-year term in which that they
6 are to seek and gain appropriate zoning for a
7 racetrack.

8 We haven't done one quite like that. I'm
9 interested in hearing if any Commissioners have any
10 thought on that. But at this stage we're working on
11 Penn and we have the other, so we've not yet begun the
12 staff report on that. We've not completed the
13 administrative review of that yet. But that's kind of
14 where we stand right now. It's in the queue.

15 CHAIRMAN PABLOS: Okay. So we're being
16 asked to consider issuing a transfer conditionally
17 based on zoning?

18 MR. FENNER: Yes, sir.

19 CHAIRMAN PABLOS: Okay.

20 VICE-CHAIRMAN SCHMIDT: Mr. Fenner, do
21 you happen to know the exact location that they're
22 wishing to transfer?

23 MR. FENNER: It's at the intersection of
24 the highway -- I don't remember the highway. It's a
25 loop around the -- it's at the intersection of Silver

1 Creek Racing Road.

2 VICE-CHAIRMAN SCHMIDT: Silver Creek and
3 820?

4 MR. FENNER: Yes, I believe that's
5 correct.

6 VICE-CHAIRMAN SCHMIDT: Which is about
7 eight miles from the Willow Park racetrack.

8 MR. FENNER: Yes, it is on the same side
9 of Fort Worth as the former Trinity Meadows racetrack.

10 VICE-CHAIRMAN SCHMIDT: Thank you.

11 CHAIRMAN PABLOS: Okay. Well, Chuck, I
12 would ask staff to report back to us on this particular
13 request. Particularly, I'd like to know, with respect
14 to issuing a conditional license based on zoning, if we
15 have the capacity to do that, the ability to do that.
16 Please report that to us.

17 And then for next meeting we'll ask the
18 representative from Laredo Downs to come and explain to
19 us more in depth based on your discussions with them on
20 what it is really that they want. I appreciate that.

21 Any other questions, Commissioners?

22 COMMISSIONER EDERER: I have a question
23 for Dr. Schmidt.

24 Dr. Schmidt, you said this is within
25 seven miles of what?

1 VICE-CHAIRMAN SCHMIDT: I'm not sure, but
2 that's why I wanted the specific -- it's on the western
3 side of Fort Worth. The 820 loop goes around Fort
4 Worth. The Willow Park track, which has already been
5 built, which actually is a track, I think is about
6 eight, possibly 10, miles due west from that location.

7 COMMISSIONER EDERER: And will that track
8 handle Thoroughbred racing?

9 VICE-CHAIRMAN SCHMIDT: It had been
10 formerly a Class 2 track in operation until Lone Star
11 was --

12 CHAIRMAN PABLOS: Mark, is this the
13 Trinity Meadows?

14 MR. FENNER: Yes.

15 CHAIRMAN PABLOS: Are these the same
16 folks that asked us to open up an application period?

17 MR. FENNER: Yes, they recently
18 requested. The Commission did not open up an
19 application period for Trinity Meadows.

20 COMMISSIONER WEINBERG: I have a
21 question. What is the mileage from Lone Star?

22 MR. FENNER: I don't know. I haven't
23 calculated that, Commissioner.

24 COMMISSIONER EDERER: Do we have any
25 idea?

1 VICE-CHAIRMAN SCHMIDT: I'd estimate 25.

2 COMMISSIONER EDERER: 25 miles from Lone
3 Star and seven miles from Trinity Meadows?

4 VICE-CHAIRMAN SCHMIDT: Yes, sir. I'm
5 not quite sure where on the loop it is, but --

6 MR. TROUT: We'll get that information
7 for you.

8 CHAIRMAN PABLOS: Please get that
9 information, please.

10 MR. TROUT: Yes, sir.

11 COMMISSIONER EDERER: That will be of
12 concern.

13 CHAIRMAN PABLOS: Any other questions,
14 Commissioners, or comments?

15 Okay. We'll move on to Item 4, a request
16 by Lone Star Park for approval of 100 percent change of
17 ownership.

18 MR. FENNER: Commissioners, the status of
19 this is, as you may recall, at the last Commission
20 meeting, the staff report and the DPS background
21 reports were completed and they had been submitted for
22 you and the item was ready for your consideration. The
23 morning of the Commission meeting, we received a
24 request from Global Gaming LSP to pull the item off of
25 the agenda, which the Commission did.

1 Since that time, there has been -- Chair
2 Pablos sent a letter to the Attorney General's office
3 requesting an AG opinion regarding the
4 constitutionality of the Texas residency requirements
5 that are found in the Texas Racing Act. And that was
6 sent on December 23rd.

7 They have up to 180 days to provide a
8 response, so we would probably be looking at late June
9 at the latest before we receive a response. Of course,
10 they could send a response at an earlier time and we
11 did indicate in the letter the importance of this issue
12 and asked that they expedite the process and we've not
13 received a response from that yet.

14 That's really all I have to report. I do
15 know that Mr. Shubeck sent a letter in requesting an
16 opportunity to address the Commission about this item.

17 CHAIRMAN PABLOS: We have. We have him
18 signed up to speak.

19 Drew, will you please come up?

20 MR. SHUBECK: Sure.

21 CHAIRMAN PABLOS: And, Bruce, if you
22 would, please.

23 MR. SHUBECK: Chairman Pablos,
24 Commissioners, my name is Drew Shubeck. I'm president
25 of Lone Star Park. I have with me today Bruce Bennett,

1 an attorney that represents Global Gaming.

2 What we'd like to do today is offer
3 updates on really what's happening with Lone Star Park,
4 what we're doing behind the scenes to prepare ourselves
5 for the Thoroughbred meet that starts on April 14th,
6 and just give a general overview of what we expect to
7 happen over the next few months. I can offer, from the
8 Lone Star side, actually what's going on with the
9 facility; and I would defer to Bruce any questions that
10 would be directed at Global Gaming or what they're
11 doing, either on the scenes or behind the scenes.

12 As you already mentioned, on February
13 11th I felt compelled to send a letter to the
14 Commission asking for time to give an update to really
15 change the status because prior to that the letter was
16 in to seeking approval of the transfer.

17 The reason for this is that we just went
18 through a couple of weeks of negotiation to extend the
19 sales agreement. The sales agreement with Lone Star
20 Park and Global Gaming actually was set to expire on
21 January 31st. All parties, including the creditors
22 committee, worked together to get that sales agreement
23 extended until the end of July. And we feel really
24 good about that.

25 I believe the terms of the sales

1 agreement are confidential, so I'm not going to offer
2 any specifics. But I can say now, as the president of
3 Lone Star Park and the general manager, that I feel
4 very comfortable with how we're moving forward. I feel
5 very comfortable on the fact that we'll have horses
6 entering the grounds two weeks from today to prepare
7 for the Thoroughbred meet that starts on April 14th as
8 I mentioned already.

9 I stand here ready to answer any specific
10 questions that the Commission has or defer to Bruce
11 when the questions get involved.

12 CHAIRMAN PABLOS: Bruce, would you,
13 please?

14 MR. BENNETT: Yes. I'm really standing
15 in for John Cardwell who usually is here to make this
16 report, but he's unavailable today.

17 As Drew said, MEC and Global Gaming LSP
18 have entered into an amendment extending Global Gaming
19 LSP's right to buy Lone Star Park. Global Gaming LSP
20 anticipates filing this extension together with other
21 amendments to its request for approval, which we hope
22 it will make the request more attractive to the
23 Commission and satisfy some of the concerns that have
24 been raised. Once all that is finalized, we hope to be
25 back before you as soon as possible.

1 CHAIRMAN PABLOS: Okay. So we're waiting
2 on you.

3 MR. BENNETT: I believe you are.

4 CHAIRMAN PABLOS: I just wanted to make
5 that clear.

6 With respect to racing, have you stopped
7 racing at the track since this application process took
8 place?

9 MR. SHUBECK: No. Simulcast continues,
10 except for when the ice storm will shut us down. We
11 had it real rough just before the Super Bowl there.
12 But, no, preparations behind the scene are going on.
13 We're doing some maintenance on the backside, which
14 includes some concreting of some horse pads. We're
15 repairing some roadways, some asphalt. We're fixing
16 some water leaks, putting clays in stalls, getting
17 ready for the Thoroughbreds to start arriving, like I
18 said, two weeks from today.

19 CHAIRMAN PABLOS: So during this
20 application process there hasn't been anything
21 hindering racing?

22 MR. SHUBECK: Well, there's been no
23 interruption. But I can say that, you know, we've had
24 staff cutbacks. We've had some layoffs. We've had
25 some permanent employees lose their jobs. It's been

1 tough. The decline of handles continues. The pressure
2 from out-of-state ADW's, that doesn't go away. The
3 Native American casinos just north of Dallas are doing
4 gangbuster business. And we're just sitting back
5 waiting for something to happen.

6 CHAIRMAN PABLOS: Understood.

7 Well, I'd like to announce at this time
8 that Commissioner Schmidt, Chuck Trout, and myself will
9 be visiting Remington Park on Friday. We're going to
10 come up to Oklahoma City to inspect and do our due
11 diligence on that track. We understand that Global
12 Gaming has been doing a terrific job up there, and I'd
13 like to take my colleague up with me to take a look at
14 what is being said about that track. So we'll be up
15 there and I look forward to being there.

16 MR. SHUBECK: Okay. Thank you.

17 MR. BENNETT: Thank you.

18 CHAIRMAN PABLOS: Any other questions,
19 Commissioner, or comments?

20 VICE-CHAIRMAN SCHMIDT: Just one
21 question, Mr. Shubeck. I think it's self-evident; but
22 you feel comfortable with your cash situation going
23 forward, that you can run a successful meet this
24 spring?

25 MR. SHUBECK: Yes, I do. We have the

1 exact amount of money available for promotions and
2 concerts and things like that. Obviously all our purse
3 money is held with the Texas Horsemen's Partnership.
4 We're anticipating about a 175,000-dollar-a-day total
5 distribution to horsemen for the 52-day Thoroughbred
6 meet.

7 VICE-CHAIRMAN SCHMIDT: Thank you.

8 MR. SHUBECK: Okay.

9 CHAIRMAN PABLOS: All right. Thank you.

10 Okay. We'll move on to Item B-1, please,
11 a request by Austin Jockey Club for approval of three
12 changes of ownership of less than five percent.

13 Mark Fenner, please?

14 MR. FENNER: Commissioners, we received a
15 request from the Austin Jockey Club to transfer a
16 little less than five percent each to Dr. Charles
17 Graham, Tyler Graham, and to Mr. Robert Taylor. These,
18 I would like you to understand, are transfers in the
19 parent company of Longhorn Downs, not in Longhorn Downs
20 itself. It's the parent company.

21 DPS has done a background check on each
22 of these individuals. There's nothing in their
23 backgrounds that would prohibit or cause any concern
24 for you about them as individuals.

25 So staff would recommend approval.

1 CHAIRMAN PABLOS: Okay. I don't have
2 anyone signed up. Is there a representative from the
3 parent company or for --

4 MR. BROWN: Good morning, Commissioners.
5 Bryan Brown with the Austin Jockey Club.

6 I think Mr. Fenner outlined the
7 transactions that are before you fairly well. Again,
8 it's important to note that these are ownership
9 interests in the Austin Jockey Club. The Austin Jockey
10 Club is the sole owner of Longhorn Downs, Inc., which
11 holds the racing license. So this does not involve any
12 ownership interest in the entity Longhorn Downs, Inc.,
13 that does hold the racing license.

14 I'd be happy to answer any questions that
15 you have.

16 CHAIRMAN PABLOS: Any questions,
17 Commissioners?

18 Are the Grahams here or Mr. Taylor or
19 anybody here?

20 MR. BROWN: I don't believe so.

21 CHAIRMAN PABLOS: Okay. All right. So
22 at this time we have this request by Austin Jockey
23 Club. We've heard from Mr. Brown and from Mark
24 Fenner. What do you all want to do?

25 COMMISSIONER EDERER: I make a motion

1 that we approve.

2 CHAIRMAN PABLOS: We have a motion to
3 approve --

4 COMMISSIONER WEINBERG: Second.

5 CHAIRMAN PABLOS: -- by Ederer, seconded
6 by Weinberg.

7 Any additional comment?

8 All those in favor please signify by
9 saying aye.

10 COMMISSIONERS: Aye.

11 CHAIRMAN PABLOS: Any opposed?

12 That motion carries. Thank you very
13 much.

14 Item B-2, allocation of live race dates
15 to Manor Downs under Commission Rule 303.41 for the
16 period beginning January 1, 2011, and ending August
17 31st, 2012.

18 Mark Fenner, would you give us an update,
19 please?

20 MR. FENNER: Yes, sir. As you may
21 recall, Manor Downs had an outstanding request for race
22 dates that had been tabled on successive meetings.
23 There was reservations by some in the industry about
24 their ability to run those dates and about the
25 distribution of purses and such.

1 Mr. Phillips is, unfortunately, not
2 available to be here today. He called me this morning
3 and asked to express his regrets.

4 CHAIRMAN PABLOS: I understand he had
5 open heart surgery?

6 MR. FENNER: Yes, sir.

7 CHAIRMAN PABLOS: And so we certainly
8 understand and send our prayers out to him.

9 MR. FENNER: He has, in his letter,
10 stated that rather than continuing on with that race
11 date request, he intends now to include the race date
12 request with any application for change of ownership
13 that he is able to submit in the near future.

14 So I think that's an acceptable approach
15 to submit a race date request as part of the
16 application process. So there's no action required by
17 you today.

18 CHAIRMAN PABLOS: So do we need to table
19 this item or postpone?

20 MR. FENNER: No. I would recommend that
21 you not table it. Just let it die.

22 CHAIRMAN PABLOS: All right. Well,
23 you've heard it, Commissioners. Are there any
24 questions or concerns or comments?

25 Okay. Then we'll go ahead and just sit

1 on this for now.

2 Item C, progress reports by inactive
3 racetrack license holders on preparations to begin live
4 racing. We've heard from a couple of you already.

5 And, Bryan Brown, do you have anything
6 else to add on Austin Jockey Club than we've already
7 heard?

8 MR. BROWN: Just very quickly. Bryan
9 Brown with the Austin Jockey Club.

10 I had a very good meeting with the mayor
11 of Creedmoor where the parcel that has been acquired
12 that Mr. Fenner referred to is. They're excited about
13 us potentially developing the site. The Formula One
14 racetrack that some of you may have heard of is about
15 seven miles away as the crow flies and about -- exit to
16 exit it's about seven miles, probably about a nine-mile
17 or so drive.

18 Apparently they are doing some earthwork
19 on that tract. It looks very, very real. And that and
20 potential development on the Creedmoor site really
21 offer up a lot of promise for that corridor along the
22 toll road, 45 and 130. That's a part of town that kind
23 of got left over. South Austin grew very fast and then
24 there was growth into Kyle and Buda. That area, to
25 some extent because of utilities and lack of roads, was

1 very much passed over. Now you have a beautiful toll
2 road servicing that area and some promise through
3 municipal utility districts that utilities could be in
4 the offing fairly soon.

5 So the City is ready for us to come.
6 Mayor Wilhite offered to come and address the
7 Commission at any point in time that you see fit. I
8 think you would enjoy hearing from him. And that's
9 something we might want to do down the road.

10 I'd be happy to answer any questions that
11 you have.

12 CHAIRMAN PABLOS: I'm certainly very
13 encouraged. Thank you very much.

14 MR. BROWN: Thank you.

15 CHAIRMAN PABLOS: Any other comments or
16 questions, Commissioners?

17 Item 2, progress report by Saddle Brook
18 Park.

19 Mark?

20 MR. FENNER: Mr. Drew Alexander called me
21 and sent an e-mail to both Mr. Trout and myself asking
22 that he be excused from today. He has a medical
23 appointment that he had to attend that was difficult to
24 schedule. So we just have the letter in this packet
25 today.

1 CHAIRMAN PABLOS: What does that letter
2 say?

3 MR. FENNER: Well, it says that he still
4 has a contract with Global Gaming and he's awaiting the
5 outcome of the Lone Star Park decision before coming
6 back to you and asking that the transfer be approved.

7 CHAIRMAN PABLOS: Okay. Commissioners,
8 any questions or comments?

9 Okay. Items 3 and 4, progress report by
10 Valle de los Tesoros and Laredo Downs. I'd like to
11 recognize Bill Moltz, please.

12 MR. MOLTZ: Good morning, Commissioners.
13 My name is Bill Moltz. I have just a quick report, not
14 a whole lot to add to what's in your materials.

15 First, on Tesoros Race Park, there has
16 been a little activity since the letter went in last
17 week. On that, what we're doing on that particular
18 project is opening or attempting to get an approval and
19 opening a temporary simulcast facility to get some
20 money back into the industry and prepare for the track
21 itself which is waiting for its utilities.

22 Since a simulcast facility under the
23 Racing Act is a racetrack, Mr. Fenner and I agreed that
24 there were some background checks required on the lease
25 of any facilities, buildings to put these things in.

1 So there were meetings with the staff as far as
2 suitable structures and facilities and locations. Some
3 options were developed as far as locations, but the
4 lessor needed a background check. So that information
5 was submitted.

6 I heard from Mark, I believe, last Friday
7 that they were approved or they didn't find anything --
8 any problematic areas of these lessors' backgrounds.
9 The next step is we have a -- Mark was going to get me
10 something a little more formal about that. And then we
11 negotiate a lease and then we go forward and come back
12 in front of the Commission for the approval of that
13 location and that facility. So it's actually moving
14 forward pretty good on that. That's Tesoros Race
15 Park.

16 On Laredo Downs, I don't have anything to
17 add beyond the report that Mr. Fenner had earlier in a
18 prior agenda item today.

19 CHAIRMAN PABLOS: On the de los Tesoros,
20 I mean, what can we do to expedite that? I'd like to
21 see that come to us quickly. And are you telling me --
22 and, Mark, correct me if I misunderstood. But you
23 still have to come back to us just for the approval of
24 the location and then at another time come back to us
25 with the item for full approval? Is that what I just

1 heard?

2 MR. MOLTZ: Perhaps Mark has a different
3 view on that, but I don't think so. I think we have to
4 have our location before we can request approval of the
5 location; and before we have the location, we've got
6 to -- we had to make sure that the lessor was qualified
7 to lease it to us. So that's where we are.

8 And so now that we have the location or
9 potential location, we've got to get a lease. Then we
10 can develop the interior design of the facility, the
11 security plan, and that sort of thing, and come back
12 for the approval. I think it's just -- it's one
13 approval.

14 CHAIRMAN PABLOS: Just one approval.

15 MR. FENNER: Yes.

16 CHAIRMAN PABLOS: It comes to us once.

17 MR. FENNER: That's correct.

18 We did ask DPS to do the background check
19 on a couple of prospective landlords. They did come
20 back clear. And so now Laredo Downs -- I mean, Valle
21 de los Tesoros is in a position to negotiate a lease;
22 and then once they have prepared the plans and the
23 proposal for this simulcasting racing facility, then
24 they can bring back a report to the Commission for your
25 approval for the conduct of racing at a temporary

1 location, which is authorized under the Racing Act.

2 CHAIRMAN PABLOS: Well, I certainly want
3 to commend you and your client for showing some
4 activity. I think this is the most we've seen in a
5 while. And so on both of these licenses, I want to
6 congratulate you for acting on it. As you know, we're
7 very much interested in ensuring that these inactive
8 licenses get up to active status and you're doing a
9 good job at that and so I want to congratulate you.
10 Thank you.

11 MR. MOLTZ: Thank you. I'll pass that
12 on.

13 COMMISSIONER EDERER: When?

14 MR. MOLTZ: When what?

15 COMMISSIONER EDERER: When do you think
16 you're going to be able to come back to us with all of
17 this? How many months is it going to take you?

18 MR. MOLTZ: We're actually -- you know,
19 it may be a few months as far as getting the lease done
20 and getting the interior design. The latest I had
21 heard, it's something along the lines of hopefully we
22 could have it actually running in three to six months.

23 COMMISSIONER EDERER: We have a meeting,
24 I believe -- is it April 12th or April 15th? And it
25 seems obvious you're not going to make it by then and

1 then we'll have it by 60 days later. Or do you think
2 you can get it to us in 30 days?

3 MR. MOLTZ: 30 days may be pushing it;
4 but by the next meeting, you know, every other month,
5 from what I have heard as far as the scheduling, that
6 sounds doable.

7 COMMISSIONER EDERER: Okay. Good.

8 CHAIRMAN PABLOS: Just keep in mind, we
9 need to activate that license. Okay? And please move
10 forward with that.

11 MR. MOLTZ: Okay. Thank you, sir.

12 CHAIRMAN PABLOS: Okay. Item 5, progress
13 report by Laredo Race Park.

14 Shawn Hurwitz, please?

15 MR. HURWITZ: Thank you, Commissioners.

16 Andrea Young and Chris McErlean from Penn
17 went down to Laredo probably two weeks ago, maybe three
18 weeks ago. I was not able to make the trip with them.
19 They met with the county judge. They met with an
20 additional county commissioner. And they met with
21 the -- they met with the owner or the representative
22 that owns the county fair area down there and also
23 looked at some additional sites that the County wanted
24 to discuss with them.

25 The meetings went well. If you recall

1 from past updates, the County has run hot and cold on
2 this; and they're back hot again. So we are somewhat
3 at the mercy of their decision-making and process, but
4 we are working closely with them and I hope to have
5 more to report in maybe not the next but the following
6 meeting on how that goes.

7 We at one point were reasonably close to
8 working with them on their county fair site and, you
9 know, I think that that could make some sense but, you
10 know, I don't know until we get some response from
11 them. So we're working actively with them. We
12 continue to meet with them and continue to have
13 discussions.

14 CHAIRMAN PABLOS: Just like I mentioned
15 to Mr. Moltz, it's imperative that you move quickly on
16 this. We've been kind of dragging our feet. And I
17 know it's not all your fault and they're hot and cold.
18 But I want to personally encourage you to move quickly
19 on that. It's getting to the point where, you know,
20 we're coming to all these meetings and we're not seeing
21 too much activity. I know you're trying, but please
22 kick it into high gear.

23 Any questions, Commissioners?

24 Thank you very much.

25 MR. HURWITZ: Thank you.

1 CHAIRMAN PABLOS: Okay. Very quickly
2 we'll move on to -- sorry -- Item C. A lot of these
3 items Commissioner O'Connell went over already; and so
4 I'd like for Mark to just, if we could, knock these out
5 real quick, Mark, and then we'll be out of here. Item
6 C, adoption of amendment to Rule 307.62, Disciplinary
7 Hearings.

8 Mark?

9 MR. FENNER: Yes, sir. Did we skip A,
10 the proposal to amend?

11 CHAIRMAN PABLOS: I'm sorry. I
12 apologize. VII-A, proposal to amend Rule 313.110,
13 Coupled Entries.

14 MR. FENNER: This is a request by Lone
15 Star Park to amend this coupled entries rule to allow
16 them to have additional betting interests.
17 Commissioner O'Connell, I think, did give a pretty good
18 description of this earlier. So this is a proposal to
19 publish in the Texas Register for public comment.

20 CHAIRMAN PABLOS: Okay. Any clarifying
21 or technical questions of Mark, Commissioners?

22 We have Drew Shubeck signed up to speak.
23 Drew, please?

24 MR. SHUBECK: Yes, Commissioners. Thank
25 you, Chairman. I'll just be brief because obviously it

1 was explained quite thoroughly before.

2 This was a proposal brought to me by my
3 director of racing, Bart Lang. My race office
4 contacted many, many jurisdictions to see how we lined
5 up with coupled entries with other jurisdictions. And
6 just about everybody doesn't require, if a trainer owns
7 a piece of a horse, to couple all horses. The only
8 jurisdiction that we could find through our search was
9 Florida that's similar to Texas.

10 We would really like to get in line with
11 our surrounding states. As I said at the rules
12 meeting, this isn't the end of the world either way. I
13 think it would solve the problem in about a dozen or
14 so, maybe two dozen, races a year on the Thoroughbred
15 side; and really on the Quarter Horse side I think it
16 would help us in futurities. We'll have many other
17 opportunities, I'm sure, to comment on this rule when
18 it goes down the road.

19 CHAIRMAN PABLOS: Thank you.

20 Any questions, Commissioners?

21 Okay. Thank you.

22 MR. SHUBECK: Thank you.

23 CHAIRMAN PABLOS: Anyone else signed up
24 to speak?

25 Okay. At this time I'd like to entertain

1 a motion to publish for public comment. Do I have a
2 motion?

3 VICE-CHAIRMAN SCHMIDT: Motion to
4 publish.

5 CHAIRMAN PABLOS: Motion by Schmidt.
6 Second?

7 COMMISSIONER HAYWOOD: Second.

8 CHAIRMAN PABLOS: Thank you very much.
9 Seconded by Haywood.

10 Any additional comments?

11 All those in favor please signify by
12 saying aye.

13 COMMISSIONERS: Aye.

14 CHAIRMAN PABLOS: Any opposed?

15 That motion carries.

16 Item B, proposal to amend Rule 319.111,
17 Bleeders and Furosemide.

18 Mark?

19 MR. FENNER: Commissioners, this is a
20 request by the Texas Quarter Horse Association.
21 Currently if a horse is on furosemide or Lasix and
22 experiences what's called a bleeding event, he is
23 automatically placed on -- made ineligible to compete
24 further for 30 days. This would remove that element of
25 whether they're voluntarily placed on furosemide as an

1 issue of the length of their period of ineligibility.
2 A first event would be treated as a first event
3 regardless of whether the horse competed on Lasix,
4 which is a 12-day period of ineligibility.

5 CHAIRMAN PABLOS: Any questions of Mark,
6 clarifying or technical?

7 Okay. I have Rob Werstler signed up to
8 speak, please.

9 MR. WERSTLER: Good morning again,
10 Mr. Chairman, Commissioners. I'm just here to
11 entertain any questions you may have about this
12 proposal.

13 CHAIRMAN PABLOS: Commissioners, any
14 questions of Mr. Werstler?

15 MR. WERSTLER: Thank you.

16 CHAIRMAN PABLOS: Okay. So then at this
17 time I'd like to entertain a motion to publish for
18 public comment.

19 COMMISSIONER MARTIN: I make a motion.

20 CHAIRMAN PABLOS: A motion by
21 Dr. Martin. Is there a second?

22 VICE-CHAIRMAN SCHMIDT: Second.

23 CHAIRMAN PABLOS: Seconded by
24 Commissioner Schmidt.

25 Any additional comments, discussion?

1 All those in favor please signify by
2 saying aye.

3 COMMISSIONERS: Aye.

4 CHAIRMAN PABLOS: Any opposed?

5 That motion carries. Thank you.

6 Now Item C, adoption of amendment to Rule
7 307.62, Disciplinary Hearings.

8 Mark?

9 MR. FENNER: Commissioners, this has been
10 published in the December 24th edition of the Texas
11 Register. It adds standards of proof and discusses
12 continuances and the rules of evidence. We've not
13 received any written comment in response to it and
14 staff would recommend that it be adopted.

15 CHAIRMAN PABLOS: Okay. Is there anyone
16 signed up to speak on this item?

17 Okay. Commissioners, any questions of
18 Mark?

19 At this time I'd like to entertain a
20 motion to adopt.

21 COMMISSIONER WEINBERG: I move we adopt
22 it.

23 CHAIRMAN PABLOS: Moved by Weinberg. Is
24 there a second?

25 COMMISSIONER MARTIN: Second.

1 CHAIRMAN PABLOS: Seconded by
2 Dr. Martin.

3 Any additional comments?

4 All those in favor please signify by
5 saying aye.

6 COMMISSIONERS: Aye.

7 CHAIRMAN PABLOS: Any opposed?

8 That motion carries.

9 Item D, rule adoptions under Chapter 321,
10 Pari-mutuel Wagering.

11 Mark?

12 MR. FENNER: Commissioners, all of these
13 next 11 rules, D-1 through D-11, have been vetted
14 through the rules committee process, very vigorous
15 discussion over some of them. They have been published
16 in the Texas Register for comment.

17 The only one that is different than what
18 was published would be the adoption of Rule 321.321,
19 the fortune pick (n), which is D-8 in your agenda.
20 There have been changes from what was published in the
21 Register, but they are not substantive. They don't
22 affect new parties. The results are predictable if you
23 had -- if you were familiar with pari-mutuel wagering.
24 So I don't believe that they need to be republished. I
25 believe they're all eligible for adoption and staff

1 recommends that you do so.

2 CHAIRMAN PABLOS: Any technical questions
3 or clarifying questions of Mark?

4 Thank you, Mark.

5 At this time I'd like to recognize
6 Melinda Tyler, please.

7 MS. TYLER: Good afternoon, ladies and
8 gentlemen.

9 As Ms. O'Connell said, we had to make
10 some changes that we felt that would be beneficial to
11 the new wagering pool. We contacted several tracks,
12 and I talked with Sally and -- Sally Briggs and Diane
13 Whiteley, and we've been working very closely with the
14 Racing Commission. We're ready to move forward with
15 these -- this wager. We hope to begin in the spring,
16 April 14th, our Thoroughbred meet, with this new
17 wager.

18 When we first started this process, Ohio
19 was the only jurisdiction that had this specific
20 wager. In January of this year, Florida adopted this
21 fortune pick (n) wager. So I think we've learned from
22 the Florida rule and so we made some changes. They're
23 highlighted in the bold under the fortune pick (n).

24 I think we've made it more
25 self-explanatory, much more conducive for the tote

1 companies. We've contacted all the tote companies.
2 The programmer at AmTote had a couple of adjustments
3 and they're bolded and we're ready to move forward with
4 the new rule.

5 CHAIRMAN PABLOS: Thank you.

6 Any questions, Commissioners?

7 Thank you very much.

8 Sally Briggs?

9 MS. BRIGGS: Sally Briggs, Gulf Greyhound
10 Park.

11 We do support the passing of this rule
12 and look forward to being able to offer this fortune
13 pick (n).

14 CHAIRMAN PABLOS: Thank you.

15 Any questions, Commissioners?

16 Appreciate it. Thank you.

17 Diane Whiteley, please?

18 MS. WHITELEY: Good morning. Diane
19 Whiteley, executive director of the Texas Greyhound
20 Association.

21 And this was a rule that we really agreed
22 with Gulf Greyhound Park on. This is real creative.
23 It's innovative. It's an opportunity to help promote
24 racing in a big and a new way. And I am just thrilled
25 that they're going to be able to offer this wager.

1 TGA, we're getting a blanket made up for
2 a greyhound that has the fortune six on it so that they
3 can parade it around the grandstand. And we look
4 forward to additional promotions with them and perhaps
5 even some type of a billboard or something on our TGA
6 property.

7 This bet or this wager has the potential
8 to really draw attention in a positive way to
9 pari-mutuel racing. So we very much support this.

10 CHAIRMAN PABLOS: Thank you.

11 Is there anyone else that would like to
12 speak?

13 Okay. So we've heard from Mark and from
14 the public. Commissioners, what do you want to do?

15 I'd like to entertain a motion for
16 adopting the amendments that are laid out in Section
17 VII-D.

18 COMMISSIONER EDERER: So move.

19 CHAIRMAN PABLOS: Moved by Ederer. Is
20 there a second?

21 COMMISSIONER HAYWOOD: Second.

22 CHAIRMAN PABLOS: Seconded by Haywood.

23 Any additional comments or discussion?

24 All those in favor please signify by
25 saying aye.

1 COMMISSIONERS: Aye.

2 CHAIRMAN PABLOS: Any opposed?

3 That motion carries. Thank you very
4 much.

5 At this time I'd like to announce that
6 the Commission will enter executive session under
7 Government Code 551.074 to deliberate the appointment
8 of an executive director and under Section 551.071(2)
9 to seek the advice of the Commission's attorney and to
10 discuss the Open Meetings Act and the Administrative
11 Procedures Act. Thank you.

12 (Recess from 11:56 a.m. to 12:17 p.m. for
13 executive session)

14 CHAIRMAN PABLOS: Okay, folks. The time
15 is 12:17 and we are reconvening out of executive
16 session and we'll take no action at this time.

17 Under old and new business, the next
18 meeting is scheduled tentatively for April 12th, but we
19 might move that up a little bit. I don't know yet.
20 But we'll make sure that everybody gets plenty of
21 notice.

22 Any old or new business, Commissioners,
23 that you'd like to discuss before we close?

24 All right. Well, then the time is 12:17
25 and at this time I'd like to adjourn today's meeting of

1 the Texas Racing Commission. Thank you very much.

2 (Proceedings concluded at 12:17 p.m.)

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATE OF TEXAS)

2 COUNTY OF TRAVIS)

3

4 I, SHERRI SANTMAN FISHER, a Certified Shorthand
5 Reporter in and for the State of Texas, do hereby
6 certify that the above-captioned matter came on for
7 hearing before the TEXAS RACING COMMISSION as
8 hereinbefore set out.

9 I FURTHER CERTIFY that the proceedings of said
10 hearing were reported by me, accurately reduced to
11 typewriting under my supervision and control and, after
12 being so reduced, were filed with the TEXAS RACING
13 COMMISSION.

14 GIVEN UNDER MY OFFICIAL HAND OF OFFICE at Austin,
15 Texas, this 9th day of March, 2011.

16

17

18

19

20

21 _____
SHERRI SANTMAN FISHER, Texas CSR 2336
Expiration Date: 12-31-11
22 Sunbelt Reporting & Litigation Services
Firm Registration No. 87
23 1016 La Posada Drive, Suite 294
Austin, Texas 78752
24 (512) 465-9100

25 Job No. #91246