

The Texas Racing Commission proposes amendments to 16 TAC § 311.3, Information for Background Investigation. § 311.3 relates to the requirement for the Commission to examine the criminal history records of licensees.

The changes to § 311.3 establish a \$12.00 fee that an applicant for an occupational license must pay whenever the individual submits fingerprints so that the Commission may obtain a criminal history record.

Charla Ann King, Executive Director for the Texas Racing Commission, has determined that during the first five year period the amendment is in effect the fiscal implications for the state as a result of enforcing the amendment will be an increase in revenue of \$320,000. The additional revenue will be used to pay the \$9.95 fee per fingerprint submission charged by the vendor, pay approximately \$0.50 per fingerprint submission for credit card costs, and absorb miscellaneous charges for equipment and supplies. There will be no fiscal implications to local government as a result of enforcing the amendment.

Ms. King has also determined that for each year of the first five years the amendment is in effect the anticipated public benefit will be to allow the Commission to submit fingerprints electronically and receive the criminal histories more promptly. This will allow the Commission to more quickly identify those who are not eligible for licensure due to a disqualifying criminal violation.

The rule will have an adverse economic effect on small or micro-businesses. The Commission has approximately 16,000 licensees, each of who must submit fingerprints at least once every three years in order to remain licensed. Many of these licensees qualify as small or micro-businesses. The projected impact economic impact of this rule amendment on these small businesses will be minimal, in that the average annual cost of the fee will be \$4.00 per licensee. The Commission considered absorbing the cost of the fee within its regular budget, but the total cost of submitting fingerprints electronically is too high to absorb without increasing other fees. The Commission considered increasing the fees to the racetracks to cover the costs, but § 7.05 of the Texas Racing Act provides that the occupational licensee fee schedule shall include the costs of criminal history checks. In addition, the Commission recently

imposed new annual fees on racetracks, while occupational fees have not been adjusted in several years.

There are no negative impacts upon employment conditions in this state as a result of the proposed amendment.

All comments or questions regarding the proposed amendment may be submitted in writing within 30 days following publication of this notice in the <eti>Texas Register<et> to Mark Fenner, General Counsel, Texas Racing Commission, at P.O. Box 12080, Austin, Texas 78711-2080, telephone (512) 833-6699, or fax (512) 833-6907.

The amendment is proposed under the Texas Revised Civil Statutes, Article 179e, § 3.02, which authorizes the Commission to make rules relating exclusively to horse and greyhound racing, and § 11.01, which requires the Commission to adopt rules regulating pari-mutuel wagering on greyhound and horse racing.

The amendment implements Texas Civil Statutes, Article 179e.

Sec. 311.3. Information for Background Investigation

(a) Fingerprint Requirements and Procedure.

(1)-(5) (No change)

(6) If an applicant for a license is required to submit fingerprints under this section, the applicant must also submit a fingerprinting fee of \$12.00.

(b) (No change.)