



**TEXAS RACING COMMISSION**

**P. O. Box 12080**

**Austin, TX 78711-2080**

**(512) 833-6699**

**Fax (512) 833-6907**

Texas Racing Commission  
Tuesday, October 7, 2008  
10:30 a.m.  
Texas Department of Public Safety  
6100 Guadalupe  
Criminal Law Enforcement, Building E  
First Floor Auditorium  
Austin, Texas 78752

**AGENDA**

**I. CALL TO ORDER**

Roll Call

**II. PUBLIC COMMENT**

**III. GENERAL BUSINESS**

Discussion, consideration and possible action on the following matters:

- A. Budget and Finance Update Tab III-1
- B. Report on Racetrack Inspections Tab III-5
- C. Report and Update by the Executive Director and Staff Regarding Administrative Matters
- D. Report by the Working Group on Policies, Procedures, and Ethics, and Possible Adoption of Agency Policy on Ethics and Standards of Conduct Tab III-6
- E. Report by the Working Group on Future Funding of the Commission
- F. Report by the Working Group on Safety and Medication Tab III-20

- G. Report and Update by the Texas Arabian Breeders Association as an official State Horse Breed Registry
- H. Report and Update by the Texas Paint Horse Association as an official State Horse Breed Registry
- I. Provisions Relating to the Change of Location for a Racetrack.

**IV. PROCEEDINGS ON RACETRACKS**

Discussion, consideration and possible action on the following matters:

- A. Impact of Hurricane Ike on Sam Houston Race Park, including Possible Modifications to its 2008 Live Racing Schedule.
- B. Impact of Hurricane Ike on Gulf Greyhound Park, including Possible Modifications to its 2008 Live Racing Schedule.
- C. Request by Valley Race Park to Modify its 2008 Live Racing Schedule Tab IV-1
- D. Request by Valley Race Park to Modify its 2009 Live Racing Schedule Tab IV-3
- E. Allocation of Live Race Dates for Corpus Christi Greyhound Race Track under Commission Rule 303.41 (Tabled from prior meeting.) Tab IV-4

**V. PROCEEDINGS ON RULEMAKING**

Discussion, consideration and possible action on the following rules:

**Rule Adoptions**

- A. Adoption of § 311.3, Information for Background Investigation Tab V-1
- B. Adoption of § 309.103, Construction and Renovation of Racetrack Facilities Tab V-2
- C. Adoption of § 309.116, Complaints Tab V-3
- D. Adoption of § 309.118, Regulatory Office Space and Equipment Tab V-4
- E. Adoption of § 309.120, Parking for Licensees Tab V-8
- F. Adoption of § 309.168, Hazardous Weather Tab V-9
- G. Adoption of § 309.250, Test Barn Tab V-10
- H. Adoption of § 309.294, Starting Crew Tab V-11

- I. Adoption of § 309.296, Official Program Tab V-12
- J. Adoption of § 309.309, Lockout Kennel Tab V-13
- K. Adoption of § 309.311, Kennel Compound Tab V-14
- L. Adoption of § 309.312, Turnout Pens Tab V-15
- M. Adoption of § 309.314, Sprint Path Tab V-16

**VI. 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, the Commission may open an executive session to confer with its attorney regarding pending or contemplated litigation on any matter listed in this agenda.
- B. Under Government Code Sec. 551.071(2), the Commission may open an executive session to discuss all matters identified in this agenda where the commission seeks the advice of their attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and to discuss the Open Meetings Act and the Administrative Procedures Act.
- C. Under Government Code Sec. 551.071, the Commission may open an executive session to confer with its attorney regarding litigation against the Commission in Cause No. D-1-GN-08-000416, *In Re: Larry Lawley and James R. Dunnigan, d/b/a The Lawley Group*.

**VII. OLD/NEW BUSINESS**

Schedule next Commission Meeting (Tuesday, December 2, 2008)

**VIII. ADJOURN**

# Texas Racing Commission

FYE 08/31/2008

LBB-4

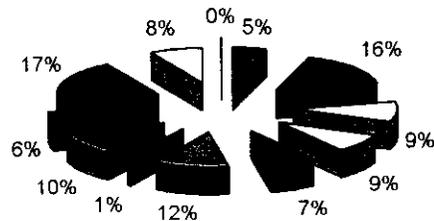
Cumulative Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Description	FY 2008 Annual Budget	FY 2008 Expended Thru 8/31/2008	FY 2008 Unexpended Bal 8/31/2008	With 99.5% of Year Lapsed % of Budget Expended
\$ 0	FTE's = 76.60				
	<u>Sum Of All Strategies other than A.2.1</u>				
	1001 Salaries and Wages	3,796,297	3,372,175	424,121	88.83%
	1002 Other Personnel Cost	142,540	154,131	(11,591)	108.13%
	2001 Prof Fees and Services	183,242	90,687	92,555	49.49%
	2003 Consumables	29,938	23,832	6,106	79.60%
	2004 Utilities	22,900	24,503	(1,603)	107.00%
	2005 Travel	228,878	188,131	40,747	82.20%
	2006 Rent Building	108,014	107,247	767	99.29%
	2007 Rent Machine	16,500	12,024	4,476	72.87%
	2009 Other Operating Cost	292,840	227,081	65,759	77.54%
	CB Computer Equipment	35,340	13,970	21,370	39.53%
\$ 4,856,488	<b>Total Operating Budget</b>	<b>4,856,488</b>	<b>4,213,779</b>	<b>642,709</b>	<b>86.77%</b>
\$ 5,389,159	Strategy A.2.1. TX Bred Incentive	5,389,159	4,868,630	520,529	90.34%
\$ 10,245,647	<b>Total All Strategies</b>	<b>10,245,647</b>	<b>9,082,409</b>	<b>1,163,238</b>	<b>88.65%</b>

### Expended Operational Budget By Strategy

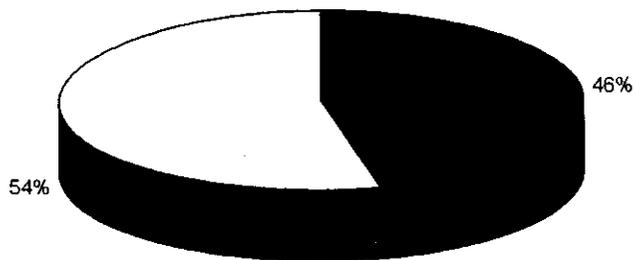
Regulate Racetrack Owners	\$ 227,787
Supervise Racing	\$ 697,109
Monitor Licensee Activities	\$ 386,046
Inspect & Provide Emergency Care	\$ 366,774
Administer Drug Test	\$ 303,887
Occupational Licensing Program	\$ 488,910
Texas On-Line Program	\$ 23,842
Monitor Pari-Mutuel Wagering	\$ 437,985
Wagering & Compliance Inspection	\$ 232,178
Central Administration	\$ 696,639
Information Resources	\$ 352,623
Other Support Services	\$ -

### Expended Operational Budget



■ Regulate Racetrack Owners	■ Supervise Racing
□ Monitor Licensee Activities	□ Inspect & Provide Emergency Care
■ Administer Drug Test	■ Occupational Licensing Program
□ Texas On-Line Program	■ Monitor Pari-Mutuel Wagering
■ Wagering & Compliance Inspection	■ Central Administration
□ Information Resources	□ Other Support Services

### Expended Appropriations



■ Operational Budget □ ATB Budget

### Expended Appropriations

Operational Budget	\$ 4,213,779
ATB Budget	\$ 4,868,630

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# Texas Racing Commission

FYE 08/31/2008  
Cumulative Operating Budget Status  
by LBB Expenditure Object/Codes

LBB-1

Strategy	Description	FY 2008 Annual Budget	FY 2008 Expended Thru 8/31/2008	FY 2008 Unexpended Bal 8/31/2008	With 99.5% of Year Lapsed % of Budget Expended
A.1.1.	FTE's = 4.00 <u>Regulate Racetrack Owners</u>				
	1001 Salaries and Wages	234,022	208,521	25,501	89.10%
	1002 Other Personnel Cost	5,140	11,989	(6,849)	233.25%
	2001 Prof Fees and Services	5,000	2,015	2,985	40.29%
	2003 Consumables	250	122	128	48.68%
	2004 Utilities	-	-	-	
	2005 Travel	8,100	2,023	6,077	24.97%
3.33%	2006 Rent Building	-	-	-	
\$ 4,589	2007 Rent Machine	-	-	-	
\$ 251,055	2009 Other Operating Cost	16,075	3,118	12,957	19.40%
\$ 12,943	CB Computer Equipment	-	-	-	
\$ 268,587	<b>Total Strategy A.1.1.</b>	<b>268,587</b>	<b>227,787</b>	<b>40,800</b>	<b>84.81%</b>
A.2.1.	FTE's = 0 <u>Texas Bred Incentive</u>				
	ATB Money Expended	5,389,159	4,868,630	520,529	90.34%
\$ 5,389,159	<b>Total Strategy A.2.1.</b>	<b>5,389,159</b>	<b>4,868,630</b>	<b>520,529</b>	<b>90.34%</b>
A.3.1.	FTE's = 12.00 <u>Supervise Racing and Licensees</u>				
	1001 Salaries and Wages	706,650	593,363	113,287	83.97%
	1002 Other Personnel Cost	20,800	26,766	(5,966)	128.68%
	2001 Prof Fees and Services	12,742	10,331	2,411	81.08%
	2003 Consumables	-	-	-	
	2004 Utilities	-	374	(374)	
	2005 Travel	40,817	48,068	(7,251)	117.76%
-6.56%	2006 Rent Building	-	-	-	
\$ 13,855	2007 Rent Machine	-	-	-	
\$ 849,215	2009 Other Operating Cost	4,875	4,237	638	86.92%
\$ (41,847)	CB Computer Equipment	35,340	13,970	21,370	39.53%
\$ 821,224	<b>Total Strategy A.3.1.</b>	<b>821,224</b>	<b>697,109</b>	<b>124,115</b>	<b>84.89%</b>
A.3.2.	FTE's = 7.00 <u>Monitor Occupational Licensee Act.</u>				
	1001 Salaries and Wages	389,723	344,427	45,296	88.38%
	1002 Other Personnel Cost	24,300	21,680	2,620	89.22%
	2001 Prof Fees and Services	-	-	-	
	2003 Consumables	-	-	-	
	2004 Utilities	-	-	-	
	2005 Travel	28,719	16,874	11,845	58.76%
-0.77%	2006 Rent Building	-	-	-	
\$ 7,641	2007 Rent Machine	-	-	-	
\$ 434,687	2009 Other Operating Cost	3,875	3,064	811	79.08%
\$ 4,289	CB Computer Equipment	-	-	-	
\$ 446,617	<b>Total Strategy A.3.2.</b>	<b>446,617</b>	<b>386,046</b>	<b>60,571</b>	<b>86.44%</b>
A.4.1.	FTE's = 7.10 <u>Inspect and Provide Emerg. Care</u>				
	1001 Salaries and Wages	382,651	318,027	64,624	83.11%
	1002 Other Personnel Cost	10,260	12,250	(1,990)	119.40%
	2001 Prof Fees and Services	20,000	17,164	2,836	85.82%
	2003 Consumables	-	-	-	
	2004 Utilities	-	-	-	
	2005 Travel	13,500	12,324	1,176	91.29%
-3.82%	2006 Rent Building	-	-	-	
\$ 6,730	2007 Rent Machine	-	-	-	
\$ 436,742	2009 Other Operating Cost	7,125	7,008	117	98.35%
\$ (9,937)	CB Computer Equipment	-	-	-	
\$ 433,536	<b>Total Strategy A.4.1.</b>	<b>433,536</b>	<b>366,774</b>	<b>66,762</b>	<b>84.60%</b>

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# Texas Racing Commission

FYE 08/31/2008

LBB-2

Cumulative Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Description	FY 2008 Annual Budget	FY 2008 Expended Thru 8/31/2008	FY 2008 Unexpended Bal 8/31/2008	With 99.5% of Year Lapsed % of Budget Expended
A.4.2.	FTE's = 6.50				
	<b>Administer Drug Testing</b>				
	1001 Salaries and Wages	289,340	267,124	22,216	92.32%
	1002 Other Personnel Cost	12,280	6,240	6,040	50.81%
	2001 Prof Fees and Services	-	-	-	
	2003 Consumables	-	-	-	
	2004 Utilities	-	-	-	
	2005 Travel	32,140	26,192	5,948	81.49%
	2006 Rent Building	-	-	-	
	2007 Rent Machine	-	-	-	
1.08%	2009 Other Operating Cost	6,375	4,331	2,044	67.94%
\$ 5,449	CB Computer Equipment	-	-	-	
\$ 325,703	<b>Total Strategy A.4.2.</b>	<b>340,135</b>	<b>303,887</b>	<b>36,248</b>	<b>89.34%</b>
\$ 8,983					
\$ 340,135					
B.1.1.	FTE's = 13.00				
	<b>Occupational Licensing</b>				
	1001 Salaries and Wages	428,147	415,470	12,678	97.04%
	1002 Other Personnel Cost	29,540	16,818	12,722	56.93%
	2001 Prof Fees and Services	-	-	-	
	2003 Consumables	2,500	1,492	1,008	59.68%
	2004 Utilities	-	-	-	
	2005 Travel	33,250	26,864	6,386	80.79%
	2006 Rent Building	-	-	-	
	-4.18%	2007 Rent Machine	11,000	7,681	3,319
\$ 8,127	2009 Other Operating Cost	36,625	20,585	16,040	56.20%
\$ 547,692	CB Computer Equipment	-	-	-	
\$ (14,757)	<b>Total Strategy B.1.1.</b>	<b>541,062</b>	<b>488,910</b>	<b>52,152</b>	<b>90.36%</b>
\$ 541,062					
B.1.2.	FTE's = 0				
	<b>Texas OnLine</b>				
	1001 Salaries and Wages	-	-	-	
	1002 Other Personnel Cost	-	-	-	
	2001 Prof Fees and Services	-	-	-	
	2003 Consumables	-	-	-	
	2004 Utilities	-	-	-	
	2005 Travel	-	-	-	
	2006 Rent Building	-	-	-	
	0.00%	2007 Rent Machine	-	-	-
\$ 23,250	2009 Other Operating Cost	23,250	23,842	(592)	102.55%
\$ -	CB Computer Equipment	-	-	-	
\$ 23,250	<b>Total Strategy B.1.2.</b>	<b>23,250</b>	<b>23,842</b>	<b>(592)</b>	<b>102.55%</b>
\$ 23,250					
C.1.1.	FTE's = 9.00				
	<b>Monitor Wagering and Audit</b>				
	1001 Salaries and Wages	412,344	390,006	22,338	94.58%
	1002 Other Personnel Cost	11,780	19,189	(7,409)	162.90%
	2001 Prof Fees and Services	-	-	-	
	2003 Consumables	225	213	12	94.65%
	2004 Utilities	-	-	-	
	2005 Travel	21,800	19,179	2,621	87.98%
	2006 Rent Building	-	-	-	
	-1.80%	2007 Rent Machine	-	-	-
\$ 8,085	2009 Other Operating Cost	19,010	9,398	9,612	49.43%
\$ 457,218	CB Computer Equipment	-	-	-	
\$ (144)	<b>Total Strategy C.1.1.</b>	<b>465,159</b>	<b>437,985</b>	<b>27,174</b>	<b>94.16%</b>
\$ 465,159					
C.1.2.	FTE's = 5.00				
	<b>Wagering &amp; Compliance Inspections</b>				
	1001 Salaries and Wages	228,004	206,976	21,027	90.78%
	1002 Other Personnel Cost	6,060	6,900	(840)	113.86%
	2001 Prof Fees and Services	75,000	-	75,000	0.00%
	2003 Consumables	-	-	-	
	2004 Utilities	-	-	-	
	2005 Travel	18,952	15,141	3,811	79.89%
	2006 Rent Building	-	-	-	
	-0.60%	2007 Rent Machine	-	-	-
\$ 3,477	2009 Other Operating Cost	4,125	3,160	965	76.61%
\$ 327,143	CB Computer Equipment	-	-	-	
\$ 1,521	<b>Total Strategy C.1.2.</b>	<b>332,141</b>	<b>292,178</b>	<b>99,963</b>	<b>69.90%</b>
\$ 332,141					

111-3

# Texas Racing Commission

FYE 08/31/2008  
 Cumulative Operating Budget Status  
 by LBB Expenditure Object/Codes

LBB-3

Strategy	Description	FY 2008 Annual Budget	FY 2008 Expended Thru 8/31/2008	FY 2008 Unexpended Bal 8/31/2008	With 99.5% of Year Lapsed % of Budget Expended
D.1.1.	FTE's = 8.00 Central Administration				
	1001 Salaries and Wages	439,059	398,090	40,969	90.67%
	1002 Other Personnel Cost	16,620	26,538	(9,918)	159.67%
	2001 Prof Fees and Services	25,500	21,089	4,411	82.70%
	2003 Consumables	25,000	16,751	8,249	67.00%
	2004 Utilities	20,000	17,374	2,626	86.87%
	2005 Travel	28,500	19,113	9,387	67.06%
0.47%	2006 Rent Building	105,314	104,547	767	99.27%
\$ 5,924	2007 Rent Machine	5,500	4,343	1,157	78.96%
\$ 753,938	2009 Other Operating Cost	103,857	88,795	15,062	85.50%
\$ 9,487	CB Computer Equipment	-	-	-	
\$ 769,350	Total Strategy D.1.1.	769,350	696,639	72,710	90.55%
D.2.1.	FTE's = 5.00 Information Resources				
	1001 Salaries and Wages	286,357	230,170	56,187	80.38%
	1002 Other Personnel Cost	5,760	5,760	-	100.00%
	2001 Prof Fees and Services	45,000	40,088	4,912	89.09%
	2003 Consumables	1,963	5,255	(3,292)	267.68%
	2004 Utilities	2,900	6,755	(3,855)	344.14%
	2005 Travel	3,100	2,351	749	75.84%
6.30%	2006 Rent Building	2,700	2,700	-	100.00%
\$ 5,498	2007 Rent Machine	-	-	-	
\$ 380,469	2009 Other Operating Cost	67,648	59,543	8,105	88.02%
\$ 29,461	CB Computer Equipment	-	-	-	
\$ 415,428	Total Strategy D.1.2.	415,428	352,623	62,805	84.88%
D.1.3.	FTE's = - Other Support Services				
	1001 Salaries and Wages	-	-	-	
	1002 Other Personnel Cost	-	-	-	
	2001 Prof Fees and Services	-	-	-	
	2003 Consumables	-	-	-	
	2004 Utilities	-	-	-	
	2005 Travel	-	-	-	
	2006 Rent Building	-	-	-	
	2007 Rent Machine	-	-	-	
\$ -	2009 Other Operating Cost	-	-	-	
\$ -	CB Computer Equipment	-	-	-	
\$ -	Total Strategy D.1.3.	-	-	-	
\$ 69,376	Estimated 2% appropriation rider FY-08				
\$ 4,787,112	Operating Budget regular appropriations	4,856,488	4,213,779	642,709	86.77%
\$ 5,389,159	Strategy A 2.1. TX Bred Incentive	5,389,159	4,868,630	520,529	90.34%
\$ 10,245,647	Total M.O.F.				
\$ 10,245,647	Total All Strategies	10,245,647	9,082,409	1,163,238	88.65%

111-4

**Texas Racing Commission**  
**Report on Racetrack Inspection Activities**  
**October 7, 2008**

Date of Inspection	Track	Type of Inspection	Number of Unsatisfactory Items	Track Remediation	Inspection resolved	Unsatisfactory Items Remaining
8/08/08	Gillespie	Safety & Security	0			
8/08/08	Gillespie-Race Barn	Administrative	0			
8/24/08	Gillespie	Veterinary	0			
6/05/08	Gulf	Safety & Security	1	Suspended		1
6/11/08	Gulf	Veterinary	3	1 resolved 7/30/08 2 resolved 9/3/08	9/3/08	
7/10/08	Gulf	Judges	2	2 resolved 8/20/08	8/20/08	
8/15/08	Gulf	Pari-mutuel	0			
8/15/08	Gulf	Administrative	1	Suspended		1
9/19/08	Lone Star	Stewards	3			3
9/19/08	Lone Star	Safety & Security	0			
9/23/08	Lone Star	Administrative	0			
9/23/08	Lone Star	Pari-mutuel	0			
8/18/08	Retama	Safety & Security	0			
8/22/08	Retama	Stewards	1	Resolved 9/4/08	9/4/08	
8/25/08	Retama	Pari-mutuel	0			
8/25/08	Retama	Administrative	0			
8/26/08	Retama	Veterinary	0			
6/27/08	Sam Houston	Stewards	1	Resolved 8/01/08	8/01/08	
8/19/08	Sam Houston	Administrative	0			
8/19/08	Sam Houston	Pari-mutuel	0			
8/21/08	Sam Houston	Veterinary	0			
8/8/08	Valley	Administrative	0			
8/8/08	Valley	Pari-mutuel	0			
<b>Training Tracks</b>						
8/15/08	El Primero	Training Track	0			
8/14/08	Valhalla	Training Track	0			

**Gulf Greyhound Park** - Remediation of all inspection items suspended until Gulf Greyhound Park resumes Live racing operations previously suspended due to Hurricane Ike.  
**Lone Star Park** - Maintenance, plumbing, and upkeep items in stable area dorms and restrooms.

## **CHAPTER 4. ETHICS POLICY AND STANDARDS OF CONDUCT**

### **4-1. OFFICE POLICIES AND CONDITIONS OF EMPLOYMENT**

SECTION 4.1 INCLUDES THE FOLLOWING SUBSECTIONS:

- SCOPE/PREAMBLE
- TEXAS RACING COMMISSION ETHICS POLICY: STANDARDS OF CONDUCT
- STATE ETHICS POLICY FOR ALL REGULATORY AGENCIES
- PROHIBITIONS ON EMPLOYMENT UNDER THE TEXAS RACING ACT
- OTHER STANDARDS OF CONDUCT

#### SCOPE/PREAMBLE

The Commission is a regulatory state agency, and by law its employees are held to high standards with respect to their conduct and their relationships with the regulated population. The Commission will not tolerate behavior that in any way compromises these high standards or adversely affects the Commission's ability to effectively regulate pari-mutuel racing. Each Commission employee is expected to behave in a professional manner at all times while on duty. Each employee has a duty to avoid situations and activities in which the employee may receive an economic benefit from any of the people or entities regulated by the Commission.

Therefore, pursuant to Section 572.051(c) of the Texas Government Code, the Texas Racing Commission promulgates the following ethics policy. This ethics policy prescribes standards of conduct for all Commission employees. This ethics policy does not supersede any applicable federal or Texas law or administrative rule. In addition, the Texas Ethics Commission interprets the laws relating to standards of conduct for state employees; therefore, to the extent that any statement in this Handbook conflicts with an interpretation of the Ethics Commission, the Ethics Commission interpretation controls.

All employees of the Texas Racing Commission must abide by all applicable federal and Texas laws, administrative rules, and the Texas Racing Commission's conduct policies, including this ethics policy. An employee of the Texas Racing Commission who violates any provision of the Texas Racing Commission's conduct policies is subject to termination of the employee's state employment or another employment-related sanction. An employee of the Texas Racing Commission who violates any applicable federal or Texas law or rule may be subject to civil or criminal penalties in addition to any employment-related sanction.

## ETHICS POLICY FOR THE TEXAS RACING COMMISSION: STANDARDS OF CONDUCT

For purposes of this policy, "benefit" means anything reasonably regarded as economic gain or economic advantage, including benefit to any other person in whose welfare the beneficiary is interested, such as a friend or relative.

Determining what is a benefit depends on the facts of each case and the Commission cannot devise a rule to cover every situation that might arise. The following guidelines are intended to illustrate the principle to be applied to ensure good judgment and avoid the appearance of impropriety. Even if these guidelines permit a particular activity, however, a supervisor may impose a more strict standard for that supervisor's employees, subject to the Executive Secretary's approval.

An employee shall not engage in any activity or incur any obligation that conflicts with the employee's ability to conduct his or her duties in the public's interest. An employee shall not:

- accept or solicit any gift, favor, or service that might reasonably tend to influence the employee in the discharge of official duties, or that the employee knows or should know is being offered with the intent to influence the employee's official conduct;
- intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised his or her official powers or performed his or her official duties in favor of another;
- disclose confidential information, information that is excepted from public disclosure under the Texas Public Information Act (Tex. Gov't Code Ann. Ch. 552), or information that has been ordered sealed by a court, that was acquired by reason of the employee's official position, or accept other employment, including self-employment, or engage in a business, charity, nonprofit organization, or professional activity that the employee might reasonably expect would require or induce the employee to disclose confidential information, information that is excepted from public disclosure under the Texas Public Information Act, or information that has been ordered sealed by a court, that was acquired by reason of the employee's official position;
- accept other employment, including self-employment, or compensation or engage in a business, charity, nonprofit organization, or professional activity that could reasonably be expected to impair the employee's independence of judgment in the performance of the employee's official duties;
- make personal investments, or have a personal or financial interest, that could reasonably be expected to create a substantial conflict between the employee's private interest and the public interest;
- utilize state time, property, facilities, or equipment for any purpose other than official state business, unless such use is reasonable and incidental and does

not result in any direct cost to the state or the Texas Racing Commission, interfere with the employee's official duties, and interfere with the Texas Racing Commission's function;

- utilize his or her official position, or state issued items, such as a badge, indicating such position for financial gain, obtaining privileges, or avoiding consequences or illegal acts;
- knowingly make misleading statements, either oral or written, or provide false information, in the course of official state business; or
- engage in any political activity while on state time or utilize state resources for any political activity.

An employee of the Texas Racing Commission shall:

- perform his or her official duties in a lawful, professional, and ethical manner befitting the state and the Texas Racing Commission; and
- report a conduct or activity that the employee believes to be in violation of this ethics policy to the General Counsel or his/her designee or to the confidential hotline established by the Commission.

#### STATE ETHICS POLICY FOR ALL REGULATORY AGENCIES

Definitions.

- "Participated" means to have taken action through decision, approval, disapproval, recommendation, giving advice, investigation, or similar action. Tex.Gov't Code Ann. § 572.054(h)(1).
- "Particular Matter" means a specific investigation, application, request for a ruling or determination, rulemaking proceeding, contract, claim, accusation, charge, arrest, or judicial or other proceeding. Tex. Gov't Code Ann. § 572.054(h)(2).
- "Business entity" means any entity recognized by law through which business for profit is conducted, including a sole proprietorship, partnership, firm, corporation, holding company, joint stock company, receivership, trust, or not for profit entity. Tex. Gov't Code Ann. § 572.022(2)
- "Regulatory Agency" means any department, commission, board, or other agency, except the secretary of state and the comptroller of public accounts, that:
  - is in the executive branch of state government;
  - has authority that is not limited to a geographical portion of this state;
  - was created by the Texas Constitution or a statute of this state; and
  - has constitutional or statutory authority to engage in regulation. Tex. Gov't. Code Ann. § 572.022(8)
- A former employee of the Commission who was compensated, as of the last day of state employment, at or above the amount prescribed by the General

Appropriations Act for step 1 – salary group 17 of the position classification salary schedule, may not represent any person or entity, or receive compensation for services rendered on behalf of any person or entity, regarding a particular matter in which the former employee participated during the period of state service or employment, either through personal involvement or because the case or proceeding was a matter within the employee's official responsibility. Tex.Gov't Code Ann. § 572.054(b)-(c).

- The above paragraph does not apply to a rulemaking proceeding that was concluded before the employee's service or employment ceased. Tex.Gov't Code Ann. § 572.054(d).
- An association or organization of employees of the Commission shall not solicit, accept, or agree to accept anything of value from a business entity regulated by the Commission and from which the business entity must obtain a permit to operate that business in this state or from an individual directly or indirectly connected with that business entity. Tex.Gov't Code Ann. § 572.055(a).

#### PROHIBITIONS ON EMPLOYMENT UNDER THE TEXAS RACING ACT

- An association may not employ any person who has been a member of the commission, the executive secretary of the commission, or an employee employed by the commission in a position in the state employment classification plan of grade 12 or above, or any person related within the second degree by affinity or the third degree by consanguinity, as determined under Chapter 573, Government Code, to such a member or employee, during the one-year period immediately preceding the employment by the association. A person may not seek or accept employment with an association if the association would violate this section by employing the person. (TRA § 6.16)
- The commission may not employ or continue to employ a person:
  - who owns or controls a financial interest in a licensee of the commission;
  - who is employed by or serves as a paid consultant to a licensee of the commission, an official breed registry, or a Texas trade association, as defined by Section 2.071(c) of this Act, in the field of horse or greyhound racing or breeding;
  - who owns or leases a race animal that participates in pari-mutuel racing in this state; or
  - who accepts or is entitled to any part of the purse or Texas-bred incentive award to be paid on a greyhound or a horse in a race conducted in this state. (TRA § 2.12(b))
- The commission may not employ or continue to employ a person who is residentially domiciled with or related within the first degree by affinity or

consanguinity to a person who is subject to a disqualification prescribed by this section. (TRA § 2.12(c))

#### OTHER STANDARDS OF CONDUCT

##### PROHIBITIONS ON ACCEPTANCE OF BENEFITS, GIFTS, HONORARIA, ETC. BY PUBLIC SERVANT

Texas Penal Code Ann. § 36.08, relating to corrupt influence on public administrators and gifts to public servants, provides that a violation of the following standards constitutes a Class A misdemeanor:

- A Commission employee may not solicit, accept, or agree to accept any benefit from a person the employee knows is subject to audit, regulation, inspection, or investigation by the Commission. Texas Penal Code Ann. § 36.08(a).
- An employee may not solicit, accept, or agree to accept any benefit, directly or indirectly, from any opposing litigant, criminal defendant, or their respective legal representatives while civil litigation or a criminal prosecution involving the Commission is pending. Texas Penal Code Ann. § 36.08(c).
- An employee whose official responsibilities include the exercise of discretion on behalf of the Commission pertaining to contracts, purchases, payments, claims, or any other pecuniary transaction may not solicit, accept, or agree to accept any benefit, directly or indirectly, from any person or entity who has or who may likely have a beneficial interest in such pecuniary transactions. Texas Penal Code Ann. § 36.08(d).
- An employee whose official responsibilities include the exercise of discretion on behalf of the Commission pertaining to any disciplinary or administrative proceeding, or who participates in the enforcement of any such disciplinary or administrative decision, may not solicit, accept, or agree to accept any benefit, directly or indirectly, from any person or entity who has or may likely have a beneficial interest in the disciplinary or administrative proceeding or decision. Texas Penal Code Ann. § 36.08(e)

The Texas Penal Code provides the following exceptions to the prohibitions found in § 36.08:

- An employee may accept a gift, favor, or entertainment when the circumstances make it clear the gift was conferred due to kinship, friendship, or other relationship that exists independently of the employee's official status. Texas Penal Code Ann. § 36.10(a)(2).
- An employee may participate as an authorized representative of the Commission in an event such as a convention, conference, or special day of racing and accept reasonable benefits other than cash or cash-equivalents that are an integral part of the event, such as commemorative items of reasonable value which are publicly presented in the course of the event, as

long as the Commission or the employee has independently paid for any registration fees. Texas Penal Code Ann. § 36.10(b).

- An employee may accept a promotional item of nominal value, such as a mug or ball cap, offered by a racetrack to the general public, provided the employee obtains the item in essentially the same fashion as a member of the public. Texas Penal Code Ann. § 36.10(a)(6).
- An employee who receives an unsolicited benefit that the employee is prohibited from accepting under Penal Code § 36.08 may donate the benefit to a governmental entity that has the authority to accept the gift or may donate the benefit to a recognized tax-exempt charitable organization formed for educational, religious, or scientific purposes. Texas Penal Code Ann. § 36.08(i). (The Texas Racing Commission is not authorized to accept gifts.)

The following standards of conduct also apply:

- An employee may not solicit, accept, or agree to accept an honorarium in consideration for services that the employee would not have been requested to provide but for the employee's official position or duties. This section does not prohibit an employee from accepting transportation and lodging expenses in connection with a conference or similar event or from accepting meals in connection with such an event if the employee makes a speech or otherwise participates in the event as an authorized representative of the Commission. Texas Penal Code Ann. § 36.07.
- If an employee is assigned to a racetrack that sells coupons for reduced-cost concessions to track employees, the employee may purchase the coupons provided the coupons are for the employee's personal use and are obtained at the same cost and in the same manner as track employees. Texas Ethics Commission Advisory Opinion No. 66.
- A state officer may not solicit or accept from the State or any state entity a commission, fee, bonus, retainer, or rebate that is compensation for the officer's personal solicitation for the award of a contract of services or sale of goods to the State or state entity, excluding those contracts that are awarded by competitive bid as provided by law and that are not otherwise prohibited by law and court appointments. Texas Gov't Code Ann. § 572.056.

## **4-2. CONFLICT OF INTEREST**

### **SECTION 4.2 INCLUDES THE FOLLOWING SUBSECTIONS:**

- **CONTRACTS AND BUSINESS RELATIONSHIPS**
- **OWNING AND/OR BREEDING OF RACE ANIMALS**
- **TESTIFYING AGAINST THE STATE**
- **USE OF OFFICIAL AUTHORITY OR INFLUENCE TO AFFECT AN ELECTION OR ACHIEVE A POLITICAL PURPOSE**
- **MULTIPLE EMPLOYMENT/ACTIVITY**
- **CONTRACTING WITH FORMER EMPLOYEES**

In addition to the qualifications for employment and standards of conduct prescribed by statute, the Commission has a policy relating to conflict of interest. Due to the nature of the Commission's regulatory work, employees often develop friendships with individuals regulated by the Commission. As a general rule, an employee's personal relationships are his or her own business. However, in some instances, a relationship with a licensee, a licensee's representative, or another member of the Commission's regulated population has the potential to create an appearance of impropriety.

Each employee shall take care to ensure personal relationships do not hinder the employee's ability to perform his or her duties. Further, each employee has the duty to ensure personal relationships do not call the high standards and integrity of the Commission into question.

Therefore, to protect public confidence and the image of the Commission as an unbiased and effective regulatory body, the Executive Secretary reserves the right to take disciplinary action against an employee if the Executive Secretary, in his or her sole discretion, determines that a relationship between an employee and a person regulated by or doing business with the Commission creates an appearance of impropriety or negatively affects the Commission's ability to effectively regulate the pari-mutuel racing industry in Texas.

### **CONTRACTS AND BUSINESS RELATIONSHIPS**

Contractual and business relationships between commission employees and licensees are prohibited, with the following exceptions:

- A Commission employee may purchase goods and/or services from a commercial vendor who is a licensee, but only on the same terms and conditions that the vendor makes these goods and/or services available to the general public, and the goods and/or services purchased must be of the type sold by the vendor in the normal course of business. This exception does not apply to the purchase of race animals.

- A Commission employee who is employed by another with the permission of the Executive Secretary may sell goods and/or services to a licensee if the goods and/or services are sold on the same terms and conditions as the employer makes available to the general public, and employee has no personal financial interest in the transaction other than regular wages, i.e., the employee receives no bonus or other financial incentive payment for making the sale.

#### OWNING AND/OR BREEDING OF RACE ANIMALS

TRA § 2.12(b) provides that the Commission may not employ a person who:

- owns or leases a race animal who participates in pari-mutuel racing in this state; or
- accepts or is entitled to any part of the purse or Texas-bred incentive award to be paid on a greyhound or horse in a race conducted in this state.

TRA § 2.12(c) extends the prohibitions in subsection (b) to relatives of the employee and those who are domiciled with the employee.

#### TESTIFYING AGAINST THE STATE

Because of an inherent conflict of interest, the Commission cannot pay salary, benefits, or expenses of an employee who is retained as or serves as an expert witness or consultant in litigation against the State, unless the employee serves on behalf of a state agency on a case in which the state agency is in litigation against another state agency.

#### USE OF OFFICIAL AUTHORITY OR INFLUENCE TO AFFECT AN ELECTION OR ACHIEVE A POLITICAL PURPOSE

The Texas Government Code prohibits state employees from using their official authority or influence to interfere with or affect the result of an election or nomination of a candidate or to achieve any other political purpose. The Code does allow state employees to provide public information or to provide information responsive to a request from policymakers. Tex. Gov't Code Ann. § 556.004.

#### MULTIPLE EMPLOYMENT/ACTIVITY

The Commission is considered to be the primary employment for its full-time employees. Because of the Commission's position as a regulatory agency, the Commission must guard against any appearance of impropriety among its employees and any additional employment (paid or unpaid) they may hold.

Therefore, an employee who is employed by another or receives compensation, whether cash or non-cash, for work performed or services rendered to another must obtain the written permission of the Executive Secretary prior to the start of

the activity. HR Form 101 – Request for Dual Activity – should be submitted at least fourteen (14) days prior to the start date to his/her supervisor. The form with the approval of the Executive Secretary must be received by the employee prior to the start of the activity. The Executive Secretary may place reasonable conditions on any approval given for secondary employment/activity.

An employee may not use Commission equipment, supplies, or office space to further an outside employment or activity.

Additionally, the Texas Constitution, Art. XVI, §33 prohibits a person from holding more than one "civil office of emolument" at the same time. This means an employee may not also hold another position that is compensated through state funds. There are some exceptions to this general rule. An employee who plans to seek elective office, appointment to a state board, or additional employment with another state agency should consult the General Counsel to determine whether this constitutional provision would be violated.

Non-compliance with prior approval of secondary employment and/or activity may result in disciplinary action up to and including termination. A copy of the form approving the activity will be placed in the employee's official personnel file.

#### CONTRACTING WITH FORMER EMPLOYEES

The Commission may not enter into a contract for consulting or professional services or employment with a former employee of the agency for twelve months following the employee's termination. Texas Gov't Code § 2252.901. Employment contracts include personal services contracts regardless of whether the performance of the contract involves the traditional relationship of employer and employee.

### **4-3. ETHICS POLICY AND STANDARDS OF CONDUCT FOR COMMISSIONERS**

(The Commissioners are solely responsible for familiarity and compliance with the provisions of the Texas Racing Act, General Appropriations Act, Texas Government Code and Texas Penal Code. All are incorporated by title and reference as set out below.)

SECTION 4.3 INCLUDES PROVISIONS FROM THE FOLLOWING STATUTES:

- TEXAS RACING ACT
- GENERAL APPROPRIATIONS ACT
- TEXAS GOVERNMENT CODE
- TEXAS PENAL CODE

SOME PROVISIONS HAVE BEEN PARAPHRASED FOR BREVITY AND CLARITY.

#### **TEXAS RACING ACT**

ELIGIBILITY (§ 2.05)

FINANCIAL STATEMENT (§ 2.06)

CONFLICT OF INTEREST (§ 2.071)

LOBBYIST RESTRICTION (§ 2.072)

GROUND FOR REMOVAL (§ 2.073)

EMPLOYMENT OF FORMER COMMISSION MEMBERS OR EMPLOYEES (§ 6.16)

#### **GENERAL APPROPRIATIONS ACT** (HB 1.80TH LEGISLATURE, 2007)

#### **TEXAS RACING ACT APPROPRIATION** (ART. VIII, P. VIII-61)

Rider 3. Each commissioner is limited to \$1,500.00 reimbursement for out-of-state travel and \$6,000 reimbursement for in-state travel for each fiscal year.

Rider 7. A commissioner is prohibited from benefiting from Texas Bred Incentive Program funds.

#### **POLITICAL AID AND LEGISLATIVE INFLUENCE PROHIBITED** (ART. IX, §6.24, P. IX-32)

(See also: Texas Government Code, Chapter 556 – Political Activities by Certain Public Entities and Individuals)

Appropriated money may not be used to influence the outcome of any election or the passage or defeat of any legislative measure. Therefore, a commissioner may not be reimbursed for travel expenses made for the purpose of lobbying for changes to the Texas Racing Act or another statute. This does not apply to

travel expenses incurred for the purpose of providing public information or to provide information responsive to a legislative request.

## **TEXAS GOVERNMENT CODE**

### **CHAPTER 305 – REGISTRATION OF LOBBYISTS**

The lobby statute contains several requirements relating to the reporting of expenditures made by lobbyists to influence action by a regulatory agency. A commissioner should be aware that if the commissioner accepts, food, lodging, transportation, entertainment, gifts, awards, or mementos from a registered lobbyist, the commissioner's name may appear on the lobbyist's report filed with the Ethics Commission.

### **CHAPTER 551 – OPEN MEETINGS**

### **CHAPTER 556 – POLITICAL ACTIVITIES BY CERTAIN PUBLIC ENTITIES AND INDIVIDUALS**

### **CHAPTER 572, SUBCHAPTER C**

#### **STANDARDS OF CONDUCT (§572.051)**

**REPRESENTATION BY FORMER OFFICER OF REGULATORY AGENCY RESTRICTED**  
(§572.054) (Revolving Door Prohibitions – See also Texas Racing Act § 6.16 above.)

#### **CONTRACTS BY STATE OFFICERS WITH GOVERNMENT ENTITIES (§ 572.056)**

#### **PRIVATE INTEREST IN MEASURE OR DECISION (§ 572.058)**

A commissioner who has a personal or private interest in a measure, proposal, or decision pending before the commission shall publicly disclose that fact to the commission in an open meeting and may not vote or otherwise participate in the decision. A commissioner who violates this section is subject to removal from office through a lawsuit filed by the Attorney General.

### **CHAPTER 2001 – ADMINISTRATIVE PROCEDURE AND PRACTICE**

#### **EX PARTE CONSULTATIONS (§ 2001.061)**

A commissioner who will render a decision in a contested case may not directly or indirectly communicate in connection with an issue of fact or law with a state agency, person, party, or a representative of those entities, except on notice and opportunity for each party to participate.

A commissioner may communicate ex parte with another member of the commission.

**TEXAS PENAL CODE**  
**CHAPTER 36 – BRIBERY AND CORRUPT INFLUENCE**

**BRIBERY (§ 36.02)**

**ACCEPTANCE OF HONORARIUM (§ 36.07)**

**GIFT TO PUBLIC SERVANT BY PERSON SUBJECT TO HIS JURISDICTION (§§ 36.08, 6.10)**

**CHAPTER 39 - ABUSE OF OFFICE**

**ABUSE OF OFFICE ( § 39.02)**

**OFFICIAL OPPRESSION (§ 39.03)**

A commissioner acting under color of office commits a Class A misdemeanor if the commissioner:

1. intentionally subjects another to mistreatment;
2. intentionally denies or impedes another in the exercise or enjoyment of a right, privilege, power, or immunity, knowing the commissioner's conduct is unlawful; or
3. intentionally subjects another to sexual harassment.

**MISUSE OF OFFICIAL INFORMATION (§ 39.06)**

#### **4-4. ETHICS POLICY AND STANDARDS OF CONDUCT FOR THE GENERAL COUNSEL'S OFFICE**

##### **TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT** **RULE 1.05 CONFIDENTIALITY OF INFORMATION**

(a) Confidential information includes both privileged information and unprivileged client information. Privileged information refers to the information of a client protected by the lawyer-client privilege of Rule 5.03 of the Texas Rules of Evidence or of Rule 5.03 of the Texas Rules of Criminal Evidence or by the principles of attorney-client privilege governed by Rule 5.01 of the Federal Rules of Evidence for United States Courts and Magistrates. Unprivileged client information means all information relating to a client or furnished by the client, other than privileged information, acquired by the lawyer during the course of or by reason of the representation of the client.

(b) Except as permitted by paragraphs (c) and (d), or as required by paragraphs (e), and (f), a lawyer shall not knowingly:

- 1) Reveal confidential information of a client or a former client to:
  - (i) a person that the client has instructed is not to receive the information; or
  - (ii) anyone else, other than the client, the client's representatives, or the members, associates, or employees of the lawyers law firm.
- 2) Use confidential information of a client to the disadvantage of the client unless the client consents after consultations.
- (3) Use confidential information of a former client to the disadvantage of the former client after the representation is concluded unless the former client consents after consultation or the confidential information has become generally known.
- (4) Use privileged information of a client for the advantage of the lawyer or of a third person, unless the client consents after consultation.

(c) A lawyer may reveal confidential information:

- (1) When the lawyer has been expressly authorized to do so in order to carry out the representation.
- (2) When the client consents after consultation.
- (3) To the client, the client's representatives, or the members, associates, and employees of the lawyers firm, except when otherwise instructed by the client.

- (4) When the lawyer has reason to believe it is necessary to do so in order to comply with a court order, a Texas Disciplinary Rule of Professional Conduct, or other law.
  - (5) To the extent reasonably necessary to enforce a claim or establish a defense on behalf of the lawyer in a controversy between the lawyer and the client.
  - (6) To establish a defense to a criminal charge, civil claim or disciplinary complaint against the lawyer or the lawyer's associates based upon conduct involving the client or the representation of the client.
  - (7) When the lawyer has reason to believe it is necessary to do so in order to prevent the client from committing a criminal or fraudulent act.
  - (8) To the extent revelation reasonably appears necessary to rectify the consequences of a clients criminal or fraudulent act in the commission of which the lawyers services had been used.
- (d) A lawyer also may reveal unprivileged client information.
- (1) When impliedly authorized to do so in order to carry out the representation.
  - (2) When the lawyer has reason to believe it is necessary to do so in order to:
    - (i) carry out the representation effectively;
    - (ii) defend the lawyer or the lawyer's employees or associates against a claim of wrongful conduct;
    - (iii) respond to allegations in any proceeding concerning the lawyers representation of the client; or
    - (iv) prove the services rendered to a client, or the reasonable value thereof, or both, in an action against another person or organization responsible for the payment of the fee for services rendered to the client.
- (e) When a lawyer has confidential information clearly establishing that a client is likely to commit a criminal or fraudulent act that is likely to result in death or substantial bodily harm to a person, the lawyer shall reveal confidential information to the extent revelation reasonably appears necessary to prevent the client from committing the criminal or fraudulent act.
- (f) A lawyer shall reveal confidential information when required to do so by Rule 3.03(a)(2), 3.03(b), or by Rule 4.01(b).

#### APPLICATION

1. Rule 1.05 shall apply to all confidential information of the Racing Commission.
2. Rule 1.12 shall apply to the client-lawyer relationship of the Racing Commission.

# TEXAS RACING COMMISSION

## SAFETY AND MEDICATION WORKING GROUP

### MEETING REPORT SEPTEMBER 16, 2008

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## ANABOLIC STEROID TESTING, TOE GRABS IN THOROUGHBREDS, UNIFORM CLASSIFICATION GUIDELINES FOR FOREIGN SUBSTANCES

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Working group participants included one member of the Commission, the breed registries, the Texas Horsemen's Partnership, the horse racetrack associations, backside veterinarians, Texas Veterinary Medical Diagnostic Laboratory staff, and Commission staff.

### OVERVIEW OF DISCUSSIONS

#### *1. ANABOLIC STERIOD TESTING*

The working group discussed the January 1, 2009, start-date for the reporting of samples containing anabolic steroids. The group discussed the pending results of the anabolic steroid withdrawal study being conducted by the Texas Racing Commission and the Texas Veterinary Medical Diagnostic Laboratory. It was reported that results from other studies are also pending. Further modifications and refinements to the RCI model rule are likely to be proposed, at the national level, based on the results of these studies.

The working group discussed the recent mandates issued by the Thoroughbred Owners and Breeders Association and the Breeders Cup that require anabolic steroid testing and limitations on toe grabs for Thoroughbreds. Failure to timely implement these requirements would jeopardize the graded stakes races in Texas.

Industry representatives expressed concerns over the possibility of horses arriving from other states that are not enforcing an anabolic steroid rule. The possibility of testing these horses prior to entry was proposed.

The RCI model rule is attached.

### **Staff Recommended Approach:**

- At the December 3, 2008, Commission meeting, propose the RCI model anabolic steroid testing rule in the Texas Register. This will allow additional time to receive the results of all pending withdrawal studies.
- On January 1, 2009, the Commission would begin anabolic steroid testing under existing rule authority. The Texas Rules of Racing, under Section 319.3, Medication Restricted, authorize the Commission to establish and enforce limitations on the use of therapeutic medications. Anabolic steroid testing therefore can go forward under these provisions.
- In preparation for the February Commission meeting, staff will review the results of all anabolic steroid studies as well as the results of the Commission's steroid testing launch period. This will allow the staff to bring to the Commission specific threshold concentrations that would be consistent with study results and national uniform guidelines. The Commission would then be positioned to adopt the model rule at the February meeting.

## **2. TOE GRABS**

The working group discussed the model rule that would limit the length of toe grabs to 2 millimeters for Thoroughbred horses. A January 1, 2009, start date was proposed in accordance with the TOBA and Breeders Cup mandates. Racing industry representatives at this meeting said they had no concerns as long as the Commission rule on toe grabs applied only to Thoroughbred horses.

Commission staff noted that the proposed rule did not address other traction devices and expressed the opinion that a more comprehensive rule covering all traction devices should be considered.

The RCI model rule and the Jockey Club's Thoroughbred Safety Committee Recommendation on Shoes and Hoof Care are attached.

### **Staff Recommended Approach:**

- At the December 3, 2008, Commission meeting, propose in the Texas Register a comprehensive rule that addresses limitations on toe grabs and other traction devices.
- Starting January 1, 2009, the racetrack associations should use *House Rules* to limit toe grabs on Thoroughbred horses to two millimeters on the front hooves. This limitation would provide consistency with the nationally, uniform approach.
- The Commission would then be positioned to adopt the comprehensive toe grab rule at the February meeting.

### **3. UNIFORM CLASSIFICATION GUIDELINES FOR FOREIGN SUBSTANCES**

RCI's Uniform Classification Guidelines for Foreign Substances and Recommended Penalties classifies drugs and substances based on the degree of influence on the performance of race horses.

Texas currently classifies three drugs differently than RCI. The drugs are caffeine, acepromazine, and clenbuterol. Texas classifies all three drugs lower than the RCI guidelines. If Texas changes its classifications to conform to RCI, caffeine would change from a Class 3 drug to a Class 2 drug. Acepromazine and the promazine derivatives would move from Class 4 to Class 3 like all other tranquilizers. Clenbuterol, a bronchodilator, would move from Class 4 to Class 3.

The change in the classification of these drugs would make Texas uniform with the RCI standards. However, the group discussion focused on the effect this change would have on the associated penalties for these drugs. Unlike some jurisdictions, Texas consistently follows the penalty guidelines. Until there is substantial regional/national compliance with all of the associated penalties, reclassification of these drugs would result in even larger discrepancies, especially on a regional level.

#### **Staff Recommended Approach:**

- No recommended changes at this time. In the upcoming months, racing jurisdictions nationwide will be discussing the implementation of the uniform classification guidelines and penalties. Texas is in substantial compliance with the model approach.

## RCI MODEL RULE ON STEROID TESTING

drug use it should be considered as a mitigating factor in any disciplinary action taken against the affected trainer.

### J. Androgenic-Anabolic Steroids

- (1) No AAS shall be permitted in test sample collected from racing horses except for residues of the major metabolite of **stanozolol**, **nandrolone**, and the naturally occurring substances **boldenone** and testosterone at concentrations less than the indicated thresholds.
- (2) Concentrations of these AAS shall not exceed the following urine threshold concentrations for total (*i.e.*, free drug or metabolite and drug or metabolite liberated from its conjugates):
  - (a) 16 $\beta$ -hydroxystanozolol (metabolite of stanozolol (Winstrol)) – 1 ng/ml in urine for all horses regardless of sex;
  - (b) Boldenone (Equipoise® is the undecylenate ester of boldenone) in male horses other than geldings – 15 ng/ml in urine. No boldenone shall be permitted in geldings or female horses.
  - (c) Nandrolone (Durabolin® is the phenylpropionate ester and Deca-Durabolin® is the decanoate ester)
    - (A) In geldings - 1 ng/ml in urine
    - (B) In fillies and mares – 1 ng/ml in urine
  - (d) Testosterone
    - (A) In geldings – 20 ng/ml in urine
    - (B) In fillies and mares – 55 ng/ml in urine
- (3) Any other anabolic steroids are prohibited in racing horses.
- (4) The presence of more than one of the four AAS identified in (2) above at concentrations greater than the individual thresholds indicated above shall not be permitted.
- (5) Post-race urine samples collected from intact males must be identified to the laboratory.
- (6) Any horse to which an anabolic steroid has been administered in order to assist in the recovery from illness or injury may be placed on the veterinarian's list in order to monitor the concentration of the drug or metabolite in urine. After the concentration has fallen below the designated threshold for the administered AAS, the horse is eligible to be removed from the list.

Adopted in Version 1.4 ARCI 8/27/02 NAPRA 10/2/02

Version 1.4 to 2.0 ARCI 4/26/03 NAPRA 4/14/03: Rule topic was renumbered to ARCI-011-023

Version 2.1 to 3.0 ARCI 4/3/04 NAPRA 4/3/04: Amended and modified new rule language

Version 3.2 to 3.3 ARCI 12/7/05: Added and modified rule language

Version 4.0 to 4.1 ARCI 4/26/07: Added new rule language

Version 4.1 to 4.15 ARCI Board of Directors meeting 12/5/2007: Amended rule language

**C. Information Dissemination**

Information regarding a horse's approved timed workout(s) shall be furnished to the public prior to the start of the race for which the horse has been entered.

**D. Restrictions**

A horse shall not be taken onto the track for training or a workout except during hours designated by the association.

Adopted in Version 1.4 ARCI 8/27/02 NAPRA 10/2/02

***ARCI-010-030 Horses Ineligible***

A horse is ineligible to start in a race when:

- (1) it is not stabled on the grounds of the association or present by the time established by the Commission;
- (2) its breed registration certificate is not on file with the racing secretary or horse identifier; unless the racing secretary has submitted the certificate to the appropriate breed registry for correction;
- (3) it is not fully identified and tattooed on the inside of the upper lip or identified by any other method approved by the appropriate breed registry and the Commission;
- (4) it has been fraudulently entered or raced in any jurisdiction under a different name, with an altered registration certificate or altered lip tattoo or other identification method approved by the appropriate breed registry and the Commission;
- (5) it is wholly or partially owned by a disqualified person or a horse is under the direct or indirect training or management of a disqualified person;
- (6) it is wholly or partially owned by the spouse of a disqualified person or a horse is under the direct or indirect management of the spouse of a disqualified person, in such cases, it being presumed that the disqualified person and spouse constitute a single financial entity with respect to the horse, which presumption may be rebutted;
- (7) the stakes or entrance money for the horse has not been paid, in accordance with the conditions of the race;
- (8) the losing jockey mount fee is not on deposit with the horsemen's bookkeeper;
- (9) its name appears on the Starter's List, Stewards' List or Veterinarian's List;
- (10) it is a first time starter and has not been approved to start by the starter;
- (11) it is owned in whole or in part by an undisclosed person or interest;
- (12) it lacks sufficient official published workouts or race past performance(s);
- (13) it has been entered in a stakes race and has subsequently been transferred with its engagements, unless the racing secretary has been notified of such prior to the start;
- (14) it is subject to a lien which has not been approved by the stewards and filed with the horsemen's bookkeeper;
- (15) it is subject to a lease not filed with the stewards;

- (16) it is not in sound racing condition;
- (17) it has had a surgical neurectomy performed on a heel nerve, which has not been approved by the official veterinarian;
- (18) it has been trachea tubed to artificially assist breathing;
- (19) it has been blocked with alcohol or otherwise drugged or surgically denerved to desensitize the nerves above the ankle;
- (20) it has impaired eyesight in both eyes;
- (21) it is barred or suspended in any recognized jurisdiction;
- (22) it does not meet the eligibility conditions of the race;
- (23) its owner or lessor is in arrears for any stakes fees, except with approval of the racing secretary;
- (24) its owner(s), lessor(s) and/or trainer have not completed the licensing procedures required by the Commission;
- (25) it is by an unknown sire or out of an unknown mare; or
- (26) there is no current negative test certificate for Equine Infectious Anemia attached to its breed registration certificate, as required by statute.
- (27) It has shoes (racing plates) which have toe grabs with a height greater than ~~four~~ <sup>two</sup> millimeters (~~0.15748~~ <sup>0.0787</sup> inches) on the front hooves.

Adopted in Version 1.4 ARCI 8/27/02 NAPRA 10/2/02  
Version 4.0 to 4.1 ARCI 4/26/07: Added new rule language

**THE JOCKEY CLUB  
THOROUGHBRED SAFETY COMMITTEE  
RECOMMENDATION  
JUNE 17, 2008**

**Recommendation on Shoes and Hoof Care:**

Based on published research\*, prior considerations and recommendations brought forward from the 2006 Welfare and Safety of the Racehorse Summit Shoeing and Hoof Care Committee and recent discussions with persons with expertise in shoeing matters, The Jockey Club's Thoroughbred Safety Committee ("Committee") calls for:

"An immediate ban on toe grabs other than wear plates with a height no greater than 2 millimeters, and the elimination of bends, jar caulks, stickers and any other traction device worn on the front shoes of Thoroughbred horses while racing or training on all racing surfaces."

Further, the Committee calls for:

- o The Association of Racing Commissioners' International and all North American racing authorities to implement this ban by model rule as soon as possible, but no later than December 31, 2008.
- o As an interim measure, all racetracks should immediately consider implementation of this ban by "house rule."

In addition, the Committee encourages:

- o The development of educational guidebooks and DVDs on proper hoof care and shoeing for trainers and owners.
- o Racing authorities to establish requirements for continuing education on the proper care and welfare of the Thoroughbred racehorse in order for trainers to renew their license.
- o Racing authorities establish certification criteria for farriers practicing within the enclosure of licensed racetracks and training facilities.

Finally, the Thoroughbred Safety Committee hereby requests submission of abstracts of existing research on the effects of toe grabs and traction devices, and calls for proposals for research on the effects of toe grabs and other traction devices on rear shoes on Thoroughbred racehorses on all racing surfaces during racing and training be developed and submitted immediately (or no later than October 1, 2008) to the Grayson-Jockey Club Research Foundation.

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\* Kane AJ, Stover SM, Gardner IA, et. al. Horseshoe characteristics as possible risk factors for fatal musculoskeletal injury of thoroughbred racehorses. *Am J Vet Res* 1996; 57:1147-1152.



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

Date: September 29, 2008

To: Commissioners

From: Sammy Jackson, Deputy Director Finance & Regulatory Control

RE: Valley Race Park Amended Greyhound Race Date Requests for 2008 & 2009

Valley Race Park (VRP) has submitted two requests for consideration and approval that impact its live race dates. The first request seeks to add 3 matinee performances and 3 abbreviated performances on Wednesdays during the month of December 2008. The second request seeks to add an abbreviated performance on Wednesdays during the months of January, February, March and the first week of April in 2009.

Valley Race Park's request impacts their upcoming Winter/Spring meet that runs from Friday, November 27, 2008 to Sunday, April 5, 2009. The net impact of these two requests to the Winter/Spring meet would be to add 3 additional matinee performances and 16 additional abbreviated performances resulting in 71 additional racing opportunities for the greyhound athletes who participate. These request, if approved, would make VRP's 2008-09 Winter/Spring meet very similar in racing opportunities to that offered during the 2007-08 Winter/Spring meet.

If I can answer any questions, please contact me at 512-833-6699.

Cc: Charla Ann King, Executive Director  
Mark Fenner, General Counsel  
John Ferrara, Director of Racing



August 20, 2008

Charla Ann King  
Executive Secretary  
Texas Racing Commission  
PO Box 12080  
Austin, Texas 78711

Dear Charla Ann:

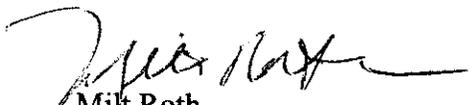
Valley Race Park requests that the following item be placed on the October 7, 2008 Commission Meeting Agenda for consideration and approval:

- Amending Valley Race Park's 2008 Race Date Calendar by adding a Matinee Performance and an Abbreviated Performance on the following dates:
  - a. Wednesday, December 3, 2008,
  - b. Wednesday, December 10, 2008, and
  - c. Wednesday, December 17, 2008.

Impact of Request: This request, if approved, will add 3 additional Matinee Performances and 3 additional Abbreviated Performances resulting in 45 additional race opportunities for greyhounds to run during the month of December 2008.

If you have any questions on this request, please feel free to call me.

Sincerely,

  
Milt Roth  
Assistant General Manager

Cc: Bob Bork



Charla Ann King  
Executive Secretary  
Texas Racing Commission  
PO Box 12080  
Austin, Texas 78711

August 20, 2008

Dear Charla Ann:

Valley Race Park requests that the following item be placed on the October 7, 2008 Commission Meeting Agenda for consideration and approval:

- Amending Valley Race Park's 2009 Race Date Calendar by adding an Abbreviated Performance on the following dates:
  - a. Wednesday, January 7, 2009,
  - b. Wednesday, January 14, 2009,
  - c. Wednesday, January 21, 2009,
  - d. Wednesday, January 28, 2009,
  - e. Wednesday, February 4, 2009,
  - f. Wednesday, February 11, 2009,
  - g. Wednesday, February 18, 2009,
  - h. Wednesday, February 25, 2009,
  - i. Wednesday, March 4, 2009,
  - j. Wednesday, March 11, 2009,
  - k. Wednesday, March 18, 2009,
  - l. Wednesday, March 25, 2009, and
  - m. Wednesday, April 1, 2009.

Impact of Request: This request, if approved, will add 13 additional Abbreviated Performances resulting in 26 additional racing opportunities for greyhounds to run during the months of January thru April 2009.

If you have any questions on this request, please feel free to call me.

Sincerely,

Milt Roth  
Assistant General Manager

Cc: Bob Bork



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

Date: September 29, 2008

To: Commissioners

From:  Sammy Jackson, Deputy Director Finance & Regulatory Control

RE: Corpus Christi Greyhound Race Date Requests for 2009 & 2010

At the August 5, 2008, Commission Meeting, the Corpus Christi Greyhound Race Track (CCGRT) race date request for 2009 & 2010 was voted unanimously to be tabled until the October 7, 2008, Commission Meeting. Additionally, Commissioners requested that CCGRT officials submit a business plan on reopening the track for live racing and asked staff to clarify current authority in terms of greyhound purse accounts and earned purse money. The following documents have been prepared in response to this request:

- (1) CCGRT Business Plan To Reopen,
- (2) CCGRT Amended 2009 & 2010 Race Date Request,
- (3) Purse Allocations & Greyhound Purse Account Authority, and
- (4) CCGRT 2008 Deficiency Status Analysis.

CCGRT officials have submitted a business plan that proposes CCGRT begin simulcast operations on September 1, 2009, and live racing on July 1, 2010. This proposal is different from the race date request submitted at the August 5<sup>th</sup> Commission meeting in that this new proposal results in five fewer months of simulcasting operations before the proposed opening day of live racing on July 1, 2010. The business plan states that CCGRT has invested over \$300,000 to date in the facility since its closure on December 31, 2007, with the majority of the investment being made on kennel building repairs. The business plan calls for an additional investment of \$400,000 to be expended over the next year on the repair and upgrade of the grandstand and clubhouse interior. Additionally as part of their business plan, CCGRT has submitted schedules outlining re-opening timelines and purse computations/projections.

Amended 2009 and 2010 race date request applications have also been submitted. The amended race date requests are necessary because the business plan reflects five fewer months of simulcasting in calendar year 2009.

Staff has prepared documentation detailing current statutory authority that addresses greyhound purse account allocation from simulcasting and Texas Racing Commission Rules of Racing authority addressing greyhound purse account balances. Staff believes

this document will help answer questions on what would happen to accrued purse money at a greyhound racetrack if the racetrack was unable to run its live meet.

Staff has prepared an analysis of CCGRT facility deficiencies as of August 31, 2008. To help streamline reporting of work performed at CCGRT facility on deficiencies reported during the May 6, 2008 inspections, staff developed "Deficiency Status Reporting Schedules" for CCGRT officials. The first of these deficiency schedules was received on September 5, 2008 and staff has requested that CCGRT officials submit an update every sixty days so staff can monitor the progress being made. The charts as updated will show the progression of the work performed by CCGRT at each reporting interval.

If I can answer any questions, please contact me at 512-833-6699.

Cc: Charla Ann King, Executive Director  
Mark Fenner, General Counsel

# CORPUS CHRISTI GREYHOUND RACE TRACK

P.O. Box 9087 • Corpus Christi, Texas 78469 • (512) 289-9333 WATTS/1-800-580-RACE

September 17, 2008

Ms. Charla Ann King, Executive Director  
Texas Racing Commission  
P.O. Box 12080  
Austin, TX 78711-2080

Dear Charla Ann,

This letter is in response to your request for information to questions submitted by Commissioners. I hope this helps to answer any questions the Commissioners might have on their minds. I am always grateful to you and your staff for all your hard work, as with the "Deficiency Schedules" in particular. I trust the TRC along with the TGA understand that I will work to make this track the best it can be. We here at CCGRT are looking to getting back to some sort of contributing factor in the Texas Parimutuel Industry. We believe that the business plan, purse projections, and timeline information presented the Commissioners for their review will show that we are trying to put forth an effort and a product we can all be proud of here in South Texas!

Sincerely,



Ricardo Pimentel  
General Manager

Enclosures

Cc: Sammy Jackson

2008 SEP 17 PM 11:24

11/11/08

14-6

## CORPUS CHRISTI BUSINESS PLAN

Current plans call for the resumption of simulcast operations at Corpus Christi beginning on September 1, 2009. The date was chosen to coincide with the licensing period and to permit the maximum time period to build up purses through simulcasting. [see estimated purses below] Live racing is scheduled to resume in July of 2010. The past 9 months have been spent cleaning and repairing the facility with a goal of substantial completion by July of 2009. Initial efforts were focused on kennel buildings and the kennel compound. This process has resulted in a full refurbishment of all the expected active kennel buildings. Grounds have been cleared and cleaned of discarded equipment and the general overgrowth of the area has been eliminated. The past few months we have turned our attention to the interior of the clubhouse and grandstand. Painting and cleaning of interiors continues to be the focus of our efforts. The interior refurbishment has included new bathroom tiles, new ceiling tiles, and new painting. The facility will be ready to greet our returning patrons who will enjoy the upgrades and improvements. Over \$300,000 has been invested to date in the refurbishment of the venue. Monies to date have primarily been used for kennel and exterior repairs and improvements. Plans call for an additional \$400,000 to be expended before September 1, 2009. These funds will be used to repair and upgrade interiors of the clubhouse and grandstand in advance of the facility reopening for simulcasting and ultimately the return of live racing. All interior areas will be targeted including cleaning, painting, roofing, and ceiling repairs in all public areas.

## MARKETING

The resumption of simulcasting in September of 2009 will allow us to welcome back our core customers and begin both accruing purses for our live meet as well as distributing monies to greyhound, thoroughbred, and quarter horse interests. The simulcasting period will be equal to the "soft" opening of a new facility. We will bring back many of our former employees as well as hire and train new staff ready to provide upgraded customer service. The bulk of our marketing and advertising dollars will be spent on promoting the live race meet. A shorter meet will allow us to concentrate more money over a shorter period of time making a far greater impact in the market. Print, radio, direct mail, and billboard advertising will all be used to announce the reopening of the facility. Earned media will also play a major role as the venue reopening has and will continue to be a major news story in the local area. Upgraded customer service will aid in the retention of returning former customers and a concentrated effort on attracting new visitors to the track. A clean freshly painted facility will greet old and new patrons alike. An upbeat advertising campaign and limited opportunities to see and enjoy live racing will be the call to action. The success of shorter boutique type meets is evident with Saratoga and Del Mar being prime examples in the thoroughbred world. Longer meets like that at Calder Racecourse in Miami have seen double digit handle declines that have led to forced reductions in live race days. Less is indeed more and the shorter meet allows more spending over a concentrated time period that will yield better results. The goal is to create a demand for the product and then have the on track experience be positive. We believe we are positioned to make this happen and to begin rebuilding a new fan base for greyhound racing in Corpus Christi.

# CCGRT Re-Opening Timeline

## January 2009

1. A/C check and clean - Inspect, clean; blower units, filters, coils. Repair any units not working
2. Seat repair - Clean and repair grandstand seating

## February 2009

1. Exterior cleaning & paint (main building) - power wash building and paint needed areas
2. Exterior lighting - Repair exterior lighting

## March 2009

1. Plumbing - Check and repair all restroom, bar & kitchen facilities

## April 2009

1. Tile floors - strip and refinish tile floors
2. Paint and refinish (1) - paint required areas, refinish wood work needing attention

## May 2009

1. Paint and refinish (2) - paint required areas, refinish wood work needing attention
2. Carpeting - clean and re-stretch carpeting in C/H, remove and replace carpeting in G/S

## June 2009

1. Ceiling tiles - replace discolored and damaged ceiling tiles throughout main building
2. Parking lot - Seal and stripe parking spaces

## July 2009

1. Lower level East side G/S - remove and replace for new "Kids Zone"
2. Tote board - remove and replace rotten wood. Paint and re-letter tote board

## August 2009

1. Paint Trackside- Paint all trackside items i.e.; tote board, fence
2. Make ready-General cleaning for re-opening tie up loose ends in any lagging projects

## September 2009

### September 1, 2009 Simulcast Grand Re-opening

1. Track Fencing-Remove and replace needed areas of fencing

## October 2009

1. Track Railing- Repair track railing

## November 2009

1. Curtain-Catch curtain needs to be relocated
2. Turnout pen's-Replace and or repair turnout pen's gates and posts

## December 2009

1. Kennel Compound Doors-Replace rusted kennel compound doors
2. Starting Boxes-Replace and/or repair to make operational

## January 2010

1. Tile & Carpet Paddock - Re-do tile and carpet in paddock offices
2. Clean & Paint Paddock - Power wash building and paint needed areas

## **February 2010**

1. Paddock Lockouts - repair 200+crates and doors from rust and pitting

## **March 2010**

1. A/C duct and unit - Repair or replace a/c ducts and units in all designated kennels
2. Covered walkway - Replace damaged walkway

## **April 2010**

1. Kennel ceiling tile- Repair or replace damaged ceiling tiles
2. Compound Guard shack - repair and paint kennel compound guard shack (plumbing, etc.)

## **May 2010**

1. Track surface - Rework and renovate track surface
2. Monday May 24th Kennel compound opens to receive dogs

## **June 2010**

1. Make ready-General cleaning for re-opening of live meet and tie up any loose ends.
2. Begin official schoolings on June 22,25,29

## **July 2010**

**July 2, 2010/ Opening Day Live Meet**

## HOW PURSES AND POINT VALUE ARE CALCULATED

Purses are computed and paid out on a weekly basis during our live racing meet. We are projecting \$14,000 per performance live handle, which at our proposed five performances per week would give us a total of \$70,000 weekly live handle, and \$20,000 daily greyhound simulcast handle, which at our proposed seven day per week simulcasting schedule would give us a total of \$140,000 weekly greyhound simulcast handle. The percentage of the live handle that goes to purses is 4.7% while the percentage from simulcasting is currently 4%. So if we were to begin live racing and simulcasting on the same date, the weekly purse and point value would be as follows:

$$\begin{array}{r} 4.7 \% \text{ of } \$70,000 = \$3,290 \\ + \\ \hline 4\% \text{ of } \$140,000 = \$5,600 \\ \text{Weekly purse} \quad \$8,890 \\ \text{Point value} \quad \quad \$16.93 \end{array}$$

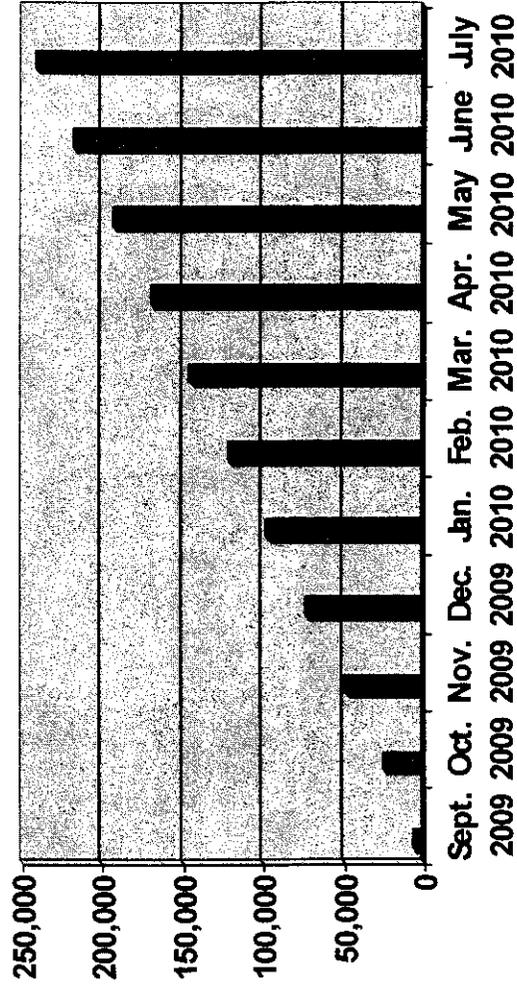
This gives us a total weekly purse of \$8,890. The weekly purse is then divided by the total number of points per week which we are projecting to be 525. Therefore \$8,890 divided by 525 equals a \$16.93 point value.

Our proposal asks for simulcasting to begin September 1, 2009 and live racing to begin July 2, 2010. This proposal gives us 300 days to accumulate extra purse money from greyhound simulcast handle. 300 days at \$20,000 greyhound simulcast handle per day equals \$6,000,000 in greyhound simulcast handle, from which 4% would give us \$240,000 to add to our purses for the duration of our live meet. To distribute in an even fashion, since our proposed live meet is nine weeks, we would divide \$240,000 by nine which gives us \$26,666 added purse every week of our live racing meet. Adding that \$26,666 to our normal weekly purse of \$8,890 now gives us a total weekly purse of \$35,556. Divide that by 525 (our projected points) and we now have a projected point value of \$67.72 for the duration of our live meet.

$$\begin{array}{r} 4.7 \% \text{ of } \$70,000 = \$3,290 \\ + \\ \hline 4\% \text{ of } \$140,000 = \$5,600 \\ \text{Added purse} \quad \quad \$26,666 \\ \text{Weekly purse} \quad \quad \$35,556 \\ \text{Point value} \quad \quad \quad \$67.72 \end{array}$$

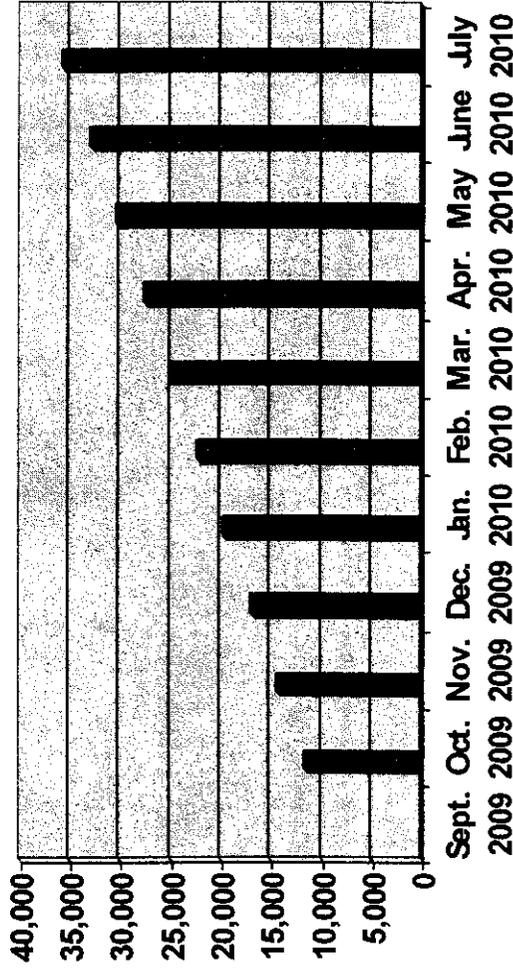
**Accumulated Purse from Simulcasting**

<u>Sept. 1, 2009</u>	<u>0</u>	<u>Sept. 1, 2009</u>	<u>\$0</u>	<u>Oct. 1, 2009</u>	<u>\$24,000</u>	<u>Nov. 1, 2009</u>	<u>\$48,000</u>	<u>Dec. 1, 2009</u>	<u>\$72,000</u>	<u>Jan. 1, 2010</u>	<u>\$96,000</u>	<u>Feb. 1, 2010</u>	<u>\$120,000</u>	<u>Mar. 1, 2010</u>	<u>\$144,000</u>	<u>Apr. 1, 2010</u>	<u>\$168,000</u>	<u>May 1, 2010</u>	<u>\$192,000</u>	<u>June 1, 2010</u>	<u>\$216,000</u>	<u>July 1, 2010</u>	<u>\$240,000</u>
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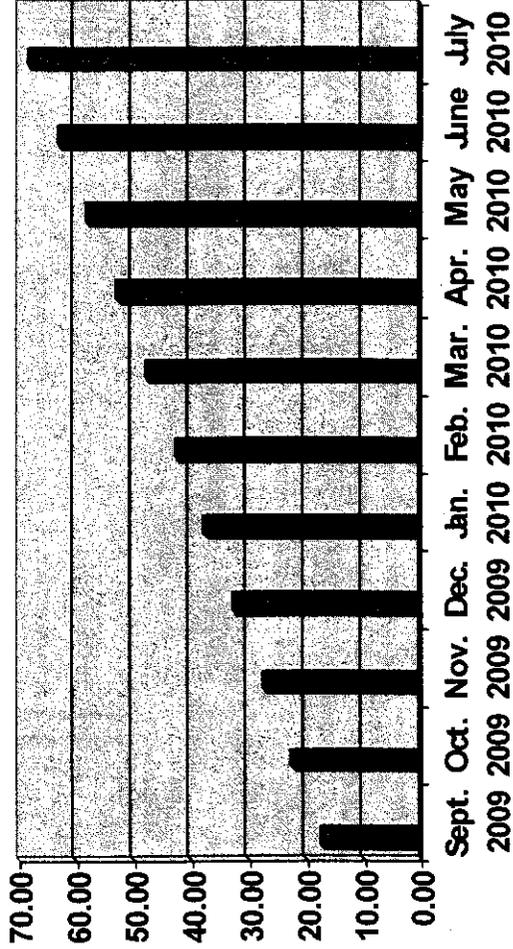
Weekly Siltmucast Purse

<u>Sept. 1, 2009</u>	<u>Oct. 1, 2009</u>	<u>Nov. 1, 2009</u>	<u>Dec. 1, 2009</u>	<u>Jan. 1, 2010</u>	<u>Feb. 1, 2010</u>	<u>Mar. 1, 2010</u>	<u>April 1, 2010</u>	<u>May 1, 2010</u>	<u>June 1, 2010</u>	<u>July 1, 2010</u>
0	\$11,556	\$14,223	\$16,890	\$19,556	\$22,223	\$24,890	\$27,556	\$30,223	\$32,890	\$35,556



**Point Value**

<u>Sept. 1, 2009</u>	<u>Oct. 1, 2009</u>	<u>Nov. 1, 2009</u>	<u>Dec. 1, 2009</u>	<u>Jan. 1, 2010</u>	<u>Feb. 1, 2010</u>	<u>Mar. 1, 2010</u>	<u>April 1, 2010</u>	<u>May 1, 2010</u>	<u>June 1, 2010</u>	<u>July 1, 2010</u>
16.93	22.01	27.09	32.17	37.24	42.32	47.40	52.48	57.86	62.64	67.72



**TEXAS RACING COMMISSION  
REQUEST FOR LIVE RACE DATES  
GREYHOUND RACETRACKS - 2009**

**INSTRUCTIONS:** Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on Thursday, July 3, 2008.

**I. Schedule Requested**

Name of Racetrack: Corpus Christi Greyhound Race Track

Opening Day: 09 / 01 / 2009 Closing Day: 12 / 31 / 2009

Number of Performances per week scheduled for five or more races 0

Projected Number of Races per Performance \_\_\_\_\_

Number of Performances per week scheduled for fewer than five races 0

Projected Number of Races per Performance \_\_\_\_\_

**TOTAL NUMBER OF PERFORMANCES REQUESTED** 0

**II. Charity Days**

Indicate which days are designated as charity days:

*DESIGNATED BY RULE*

(1) A charity that directly benefits the persons who work on the backside:

    /     / 2009 for \_\_\_\_\_  
(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:

    /     / 2009 for \_\_\_\_\_  
(Name of Charity)

    /     / 2009 for \_\_\_\_\_  
(Name of Charity)

    /     / 2009 for \_\_\_\_\_  
(Name of Charity)

    /     / 2009 for \_\_\_\_\_  
(Name of Charity)

**For each charity listed, attach the following information:**

1. A brief description of the activities or purposes of the charity.
2. The name and address of each individual who serves as an officer or director.
3. A copy of an IRS letter of determination that qualifies the charity as an exempt organization for federal income tax purposes.

**III. Dates Requested**

Indicate on the attached calendar each live race performance requested with a

- "M" denoting a Matinee performance with five or more races;
- "AM" denoting an Abbreviated Matinee with fewer than five races;
- "E" denoting an Evening performance with five or more races; or
- "AE" denoting an Abbreviated Evening performance with fewer than five races.
- "S" denoting a Simulcast performance

Include standard post time for each performance in space provided on calendar. Any exceptions, such as on holidays, should be noted.

**IV. Certificate of Service**

I hereby certify that on September 16, 2008, a true and correct copy of this request was sent to the persons listed below by:

- Certified Mail R.R.R.     Regular Mail     Facsimile     Hand Delivery

*Rick Pimentel*  
Signature

General Manager  
Title

Corpus Christi Greyhound Race Track  
c/o Rick Pimentel  
General Manager  
5302 Leopard Street  
Corpus Christi, TX 78408

Gulf Greyhound Park  
c/o Sally Briggs, General Manager  
1000 FM 2004  
La Marque, TX 77568-0488

Valley Race Park  
c/o Bob Bork, General Manager  
2601 South Ed Carey Drive  
Harlingen, TX 78552

**Corpus Christi Greyhound Race Track**  
 (Name of Racetrack)  
**Requested Live Race Dates for 2009**

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 New Year's Day	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19 Martin Luther King	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Super Bowl Sunday	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16 Presidents' Day	17	18	19	20	21
22	23	24	25	26	27	28

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8 Daylight Savings Begins	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Corpus Christi Greyhound Race Track  
 (Name of Racetrack)  
 Requested Live Race Dates for 2009

APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
Easter 19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2 Kentucky Derby
3	4	5	6	7	8	9
10	11	12	13	14	15	16 Preakness
17	18	19	20	21	22	23
24	25 Memorial Day	26	27	28	29	30
31						

JUNE						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6 Belmont
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**Corpus Christi Greyhound Race Track**  
 (Name of Racetrack)  
**Requested Live Race Dates for 2009**

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4 Independence Day
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						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	26	27	28	29
30	31					

SEPTEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 S Opening Day	2 S	3 S	4 S	5 S
6 S	7 S Labor Day	8 S	9 S	10 S	11 S	12 S
13 S	14 S	15 S	16 S	17 S	18 S	19 S Rosh Hashanah
20 S	21 S	22 S	23 S	24 S	25 S	26 S
27 S	28 S Yom Kippur	29 S	30 S			

**Corpus Christi Greyhound Race Track**  
 (Name of Racetrack)  
 Requested Live Race Dates for 2009

OCTOBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 S	2 S	3 S
4 S	5 S	6 S	7 S	8 S	9 S	10 S
11 S	12 S Columbus Day	13 S	14 S	15 S	16 S	17 S
18 S	19 S	20 S	21 S	22 S	23 S	24 S
25 S	26 S	27 S	28 S	29 S	30 S	31 S

NOVEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 S Daylight Savings Ends	2 S	3 S	4 S	5 S	6 S Breeders Cup	7 S Breeders Cup
8 S	9 S	10 S	11 S Veterans Day	12 S	13 S	14 S
15 S	16 S	17 S	18 S	19 S	20 S	21 S
22 S	23 S	24 S	25 S	26 DARK Thanksgiving	27 S	28 S
29 S	30 S					

DECEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 S	2 S	3 S	4 S	5 S
6 S	7 S	8 S	9 S	10 S	11 S	12 S Hanukkah
13 S	14 S	15 S	16 S	17 S	18 S	19 S
20 S	21 S	22 S	23 S	24 DARK Christmas Eve	25 DARK Christmas	26 S
27 S	28 S	29 S	30 S	31 S New Years Eve		

IV-19

TEXAS RACING COMMISSION  
REQUEST FOR LIVE RACE DATES  
GREYHOUND RACETRACKS - 2010

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on Thursday, July 3, 2008.

I. Schedule Requested

Name of Racetrack: Corpus Christi Greyhound Race Track

Opening Day: 07 / 02 / 2010 Closing Day: 08 / 31 / 2010

Number of Performances per week scheduled for five or more races 5

Projected Number of Races per Performance 13

Number of Performances per week scheduled for fewer than five races \_\_\_\_\_

Projected Number of Races per Performance \_\_\_\_\_

TOTAL NUMBER OF PERFORMANCES REQUESTED 43

II. Charity Days

Indicate which days are designated as charity days:

DESIGNATED BY RULE

(1) A charity that directly benefits the persons who work on the backside:

07 / 02 / 2010 for Texas Greyhound Association  
(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:

07 / 16 / 2010 for Texas A & M Veterinarian College  
(Name of Charity)

07 / 30 / 2010 for Women's Shelter of Corpus Christi, Texas  
(Name of Charity)

08 / 13 / 2010 for The Ark - Catholic Charity for Abused Children  
(Name of Charity)

08 / 27 / 2010 for Family Outreach of Corpus Christi, Texas  
(Name of Charity)

For each charity listed, attach the following information:

1. A brief description of the activities or purposes of the charity
2. The name and address of each individual who serves as an officer or director
3. A copy of an I.R.S. letter of determination that qualifies the charity as an exempt organization for federal income tax purposes



**Corpus Christi Greyhound Race Track**  
 (Name of Racetrack)  
**Requested Live Race Dates for 2010**

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 S New Year's Day	2 S
3 S	4 S	5 S	6 S	7 S	8 S	9 S
10 S	11 S	12 S	13 S	14 S	15 S	16 S
17 S	18 S Martin Luther King	19 S	20 S	21 S	22 S	23 S
24 S	25 S	26 S	27 S	28 S	29 S	30 S
31 S						

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 S	2 S	3 S	4 S	5 S	6 S
7 S	8 S	9 S	10 S	11 S	12 S	13 S
14 S	15 DARK Presidents' Day	16 S	17 S	18 S	19 S	20 S
21 S	22 S	23 S	24 S	25 S	26 S	27 S
28 S						

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 S	2 S	3 S	4 S	5 S	6 S
7 S Daylight Savings Begins	8 S	9 S	10 S	11 S	12 S	13 S
14 S Daylight Savings Begins	15 S	16 S	17 S	18 S	19 S	20 S
21 S	22 S	23 S	24 S	25 S	26 S	27 S
28 S	29 S	30 S	31 S			

**Corpus Christi Greyhound Race Track**  
 (Name of Racetrack)  
**Requested Live Race Dates for 2010**

APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 S	2 S	3 S
4 DARK Easter	5 S	6 S	7 S	8 S	9 S	10 S
11 S	12 S	13 S	14 S	15 S	16 S	17 S
18 S	19 S	20 S	21 S	22 S	23 S	24 S
25 S	26 S	27 S	28 S	29 S	30 S	

MAY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 S Kentucky Derby
2 S	3 S	4 S	5 S	6 S	7 S	8 S
9 S	10 S	11 S	12 S	13 S	14 S	15 S Preakness
16 S	17 S	18 S	19 S	20 S	21 S	22 S
23 S	24 S	25 S	26 S	27 S	28 S	29 S
30 S	31 S Memorial Day					

JUNE						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 S	2 S	3 S	4 S	5 S Belmont
6 S	7 S	8 S	9 S	10 S	11 S	12 S
13 S	14 S	15 S	16 S	17 S	18 S	19 S
20 S	21 S	22 S	23 S	24 S	25 S	26 S
27 S	28 S	29 S	30 S			

Corpus Christi Greyhound Race Track  
 (Name of Racetrack)  
 Requested Live Race Dates for 2010

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 E S <i>Opening Day</i>	2 E S	3 E S
4 M S Independence Day	5 S	6 S	7 E S	8 E S	9 E S	10 E S
11 M S	12 S	13 S	14 E S	15 E S	16 E S	17 E S
18 M S	19 S	20 S	21 E S	22 E S	23 E S	24 E S
25 M S	26 S	27 S	28 E S	29 E S	30 E S	31 E S

AUGUST						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 M S	2 S	3 S	4 E S	5 E S	6 E S	7 E S
8 M S	9 S	10 S	11 E S	12 E S	13 E S	14 E S
15 M S	16 S	17 S	18 E S	19 E S	20 E S	21 E S
22 M S	23 S	24 S	25 E S	26 E S	27 E S	28 E S <i>Closing Day</i>
29 S	30 S	31 S				



Simulcast Purse Allocations  
&  
Greyhound Purse Account Authority

**Texas Racing Act § 11.011. Simulcast Races.**

(1) Notwithstanding other provisions of law, a greyhound racing association and the state greyhound breed registry shall by contract agree that each simulcast contract to which the greyhound racing association is a party, including a simulcast contract with a horse racing association or a simulcast contract with another greyhound racing association, include terms that provide adequately for the development of greyhound racing, breeding, purses, and any actual or potential loss of live racing handle based on the association's historical live racing schedule and handle in this state. If a greyhound racing association and the state greyhound breed registry fail to reach an agreement, the racing association or the breed registry may submit the contract negotiations for binding arbitration under Chapter 171, Civil Practice and Remedies Code, and rules adopted by the commission. The arbitration must be conducted by a board of three arbitrators. The greyhound racing association shall appoint one arbitrator. The state greyhound breed registry shall appoint one arbitrator. The arbitrators appointed by the greyhound racing association and the state greyhound breed registry shall appoint the third arbitrator. A greyhound racing association and the state greyhound breed registry shall each pay its own arbitration expenses. The greyhound racing association and the state greyhound breed registry shall equally pay the arbitrator fees and costs. This subsection does not apply to a contract that was in effect before September 2, 1997.

<b>Corpus Christi Greyhound Race Track and Texas Greyhound Association Contractual Agreements In Accordance with §11.011</b>		
<b>Contract Type</b>	<b>Contract Status</b>	<b>Comments</b>
Simulcasting Agreement	Expired: 12/31/2007	Covered purse allocations for calendar year 2007
Simulcasting Agreement	None Exist for 2008	Contract not needed with racetrack closed in 2008
Simulcasting Agreement	None Exist for 2009	Contract does not exist at this time, but both parties acknowledged the need to work on the contract during a conference call on September 12, 2008.
Simulcasting Agreement	None Exist for 2010	Contract does not exist at this time, but both parties acknowledged the need to work on the contract during a conference call on September 12, 2008.



Simulcast Purse Allocations  
&  
Greyhound Purse Account Authority

**Texas Rules of Racing § 309.361 Greyhound Purse Account and Kennel Account**

**(a) Greyhound Purse Account.**

(1) All money required to be set aside for purses, whether from wagering on live races or simulcast races, are trust funds held by an association as custodial trustee for the benefit of kennel owners and greyhound owners. No more than three business days after the end of each week's wagering, the association shall deposit the amount set aside for purses into a greyhound purse account maintained in a federally or privately insured depository.

(2) The funds derived from a simulcast race for purses shall be distributed during the 12-month period immediately following the simulcast.

**(b) Kennel Account.**

(1) An association shall maintain a separate bank account known as the "kennel account". The association shall maintain in the account at all times a sufficient amount to pay all money owed to kennel owners for purses, stakes, rewards, and deposits.

(2) Except as otherwise provided by these rules, an association shall pay the purse money owed from a purse race to those who are entitled to the money not later than 10 days after the date of the race and from a stakes race to those who are entitled to the money immediately after the executive secretary advises the association that all of the qualifying rounds and the final race have been cleared for payment.

(c) The Texas Greyhound Association ("TGA") shall negotiate with each association regarding the association's live racing program, including but not limited to the allocation of purse money to various live races, the exporting of simulcast signals, and the importing of simulcast signals during live race meetings.

(d) If an association fails to run live races during any calendar year, all money in the greyhound purse account may, at the discretion of the TGA, be distributed as follows:

(1) first, payment of earned but unpaid purses; and

(2) second, subject to the approval of the TGA, transfer after the above mentioned calendar year period of the balance in the purse account to the purse account for one or more other association.

(e) If an association ceases a live race meet before completion of the live race dates granted by the commission, the funds in and due the greyhound purse account shall be distributed as follows:

(1) first, payment of earned but unpaid purses;

(2) second, retroactive pro rata payments to the kennel owners; and

(3) third, subject to the approval of the TGA, transfer within 120 days after cessation of live racing of the balance in the greyhound purse account to the greyhound purse account for one or more other associations.

**(f) Administration of Accounts.**

(1) An association shall employ a bookkeeper to maintain records of the greyhound purse account and the kennel account.

(2) The Commission may at any time inspect, review or audit any and all transactions relating to the greyhound purse account and the kennel account.



# Deficiency Status Analysis As of August 31, 2008 For Corpus Christi Greyhound Race Track

Completed Yes / No	Percentage of Deficiency Project Completed																				
	0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Kennel Building Deficiencies Status as of 8/31/2008																					
Yes	1.) Kennel building roof has been repaired or replaced:																				
No	2.) Ceiling tiles have been inspected and damaged tiles replaced:																				
No	3.) Air-conditioning ducts have been repaired or replaced:																				
No	4.) Air-conditioning units have been repaired or replaced:																				
No	5.) Turnout pen's gates and post have been replaced:																				
No	6.) Rusted doors have been replaced:																				
Notes: Corpus Christi Greyhound Race Track has stated that they would need eleven (11) kennel buildings to accommodate the kennel owners and greyhounds needed to conduct their meet. The deficiency status reported above reflects the status of work completed on all eleven kennel buildings.																					

Completed Yes / No	Percentage of Deficiency Project Completed																				
	0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Lockout Kennel Building Deficiencies Status as of 8/31/2008																					
No	1.) Latches on all cage doors have been replaced:																				

Completed Yes / No	Percentage of Deficiency Project Completed																				
	0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Sprint Path Deficiencies Status as of 8/31/2008																					
No	1.) Sprint path has been completely renovated:																				
Notes: Corpus Christi Greyhound Race Track will need four (4) sprint paths to accommodate eleven kennel buildings. The deficiency status reported above reflects the status of work completed on all four sprint paths.																					

Completed Yes / No	Percentage of Deficiency Project Completed																				
	0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Kennel Compound Deficiencies Status as of 8/31/2008																					
No	1.) Roof over walkway has been completely repaired:																				
No	2.) All non-functioning security lighting has been replaced:																				



## Deficiency Status Analysis As of August 31, 2008 For Corpus Christi Greyhound Race Track

Track Surface Deficiencies Status as of 8/31/2008	Completed Yes / No	Percentage of Deficiency Project Completed																				
		0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
1.) Damaged pad under the surface has been repaired or replaced:	No																					
2.) Track surface has been renovated:	No																					
3.) Damaged track railing has been replaced:	No																					
4.) Damaged track fencing has been repaired or replaced:	No																					

Track Equipment Deficiencies Status as of 8/31/2008	Completed Yes / No	Percentage of Deficiency Project Completed																				
		0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
1.) Race results board has been repaired and painted:	No																					
2.) Escape area curtains have been replaced:	Yes																					
3.) Pads on the walls in the escape area have been replaced:	No																					

Public Area Deficiencies Status as of 8/31/2008	Completed Yes / No	Percentage of Deficiency Project Completed																				
		0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
1.) Leaks in the grandstand and clubhouse have been repaired:	No																					
2.) Damaged ceiling tiles in public area have been replaced:	No																					
3.) Damaged carpet in public area has been replaced:	No																					
4.) Non-functioning security lights have been replaced:	No																					



**Deficiency Status Analysis**  
**As of August 31, 2008**  
**For Corpus Christi Greyhound Race Track**

Regulatory Office Area Deficiencies Status as of 8/31/2008	Completed Yes / No	Percentage of Deficiency Project Completed																					
		0	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100	
1.) Leaks in the judges tower office have been repaired:	Yes																						
2.) Damaged ceiling tiles in the judges tower office have been replaced:	Yes																						
3.) Mold in the judges tower office has been removed:	Yes																						
4.) Air-conditioning unit in judges tower office has been repaired:	No																						

- 1 **Sec. 311.3. Information for Background Investigation**  
2 (a) Fingerprint Requirements and Procedure.  
3 (1)-(5) (No change)  
4 (6) If an applicant for a license is required to submit  
5 fingerprints under this section, the applicant must also submit  
6 a fingerprinting fee of \$12.00.  
7 (b) (No change.)

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Subchapter B. Operation of Racetracks  
General Provisions

1 **309.103. Construction and Renovation of Racetrack**  
2 **Facilities.**

3 (a) (No change.)

4 (b) Review of construction plan.

5 (1) At least 30 days before the date an association  
6 proposes to start a racetrack construction project, the  
7 association shall submit a construction plan to the  
8 executive secretary. The construction plan must be in  
9 sufficient detail for the executive secretary to determine  
10 whether the proposed project complies with all applicable  
11 Commission rules.

12 (2) After reviewing the construction plan, if the  
13 executive secretary determines the racetrack construction  
14 project will comply with the Rules, the executive secretary  
15 shall approve the project. If the executive secretary  
16 determines the project will not comply with the Rules, the  
17 executive secretary shall notify the association in writing  
18 and specifically describe the aspect of the project that  
19 does not comply. The executive secretary may require an  
20 additional 30 days ~~shall make every effort~~ to review the  
21 construction plan before notifying and notify the  
22 association under this paragraph of his/her determination  
23 ~~before the date the construction is proposed to start.~~

24 (3) If the project is not approved, the association  
25 may not start construction until the necessary corrections  
26 are made to the construction plan for the project to comply  
27 with the Rules and the executive secretary has approved the  
28 corrections.

29 (c)-(e) (No change.)

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1 **309.116. Complaints.**

2 (a) An association shall provide an office to handle  
3 complaints. ~~regarding the association facilities or an~~  
4 ~~alleged violation of the Act or the Rules.~~

5 (b) An association shall respond promptly to all complaints  
6 by patrons and licensees. ~~regarding the association~~  
7 ~~facilities.~~

8 (c) An association shall promptly notify the executive  
9 secretary of:

10 (1) a complaint regarding an alleged violation of the  
11 Act or a rule of the Commission; or

12 (2) any written complaint regarding:

13 (A) an alleged violation of ordinances or  
14 statutes;

15 (B) accidents or injuries; or

16 (C) unsafe or unsanitary conditions for patrons,  
17 licensees or race animals.

18 (d) An association's responsibility to respond to  
19 complaints under subsection (b) of this section is  
20 independent of the association's responsibility to notify  
21 the executive secretary under subsection (c) of this  
22 section.

23 (e) ~~(d)~~ An association shall maintain a record of each  
24 complaint received regarding the association facilities,  
25 each complaint received under subsection (c), and the  
26 action taken by the association regarding the complaint.  
27 The association shall maintain each record for two years  
28 after the complaint is received. ~~for two years.~~

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1 **309.118. Regulatory Office Space and Equipment.**

2 (a) An association shall provide adequate office space for  
3 the use of the stewards or racing judges, occupational  
4 licensing personnel, the Commission's investigative unit,  
5 the pari-mutuel auditing staff and the staff employed by  
6 the comptroller, the Commission veterinary and drug testing  
7 staff, and the Department of Public Safety. The location  
8 and size of the office space, furnishings, electrical  
9 outlets, telephone lines, television monitors, and  
10 equipment required under this section must be approved by  
11 the executive secretary.

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

13 (d) The office for the Commission's investigative unit must  
14 be located adjacent to the occupational licensing office  
15 and the Department of Public Safety office. The office must  
16 be furnished and be equipped with:

17 (1) a ~~private~~ telephone line; and

18 (2) a television monitor to monitor the events on the  
19 racetrack.

20 (e) The office space for occupational licensing personnel  
21 must consist of two rooms, one of which must be private.  
22 The room that is not private must be equipped with:

23 (1) a double counter;

24 (2) a fingerprint work area;

25 (3) a television monitor; ~~and~~

26 (4) a ~~private~~ telephone line; ~~+~~

27 (5) a dedicated telephone line to be used by a fax  
28 machine;

29 (6) a dedicated telephone line to be used by a credit  
30 card machine and that does not require a code to access an  
31 outside line;

32 (7) the appropriate number of desks, file cabinets and  
33 chairs;

34 (8) locking file cabinets or other locking storage  
35 facilities adequate in size and number to store the  
36 licensing files and checks; and

37 (9) power outlets adequate in number and capacity to  
38 operate all of the Commission's electrical equipment  
39 located within the occupational licensing office.

40 (f) The office space for the pari-mutuel auditing staff and  
41 the staff employed by the comptroller must:

42 (1) provide an unrestricted view of the ~~totalisator~~  
43 ~~system operators and the pari-mutuel computers;~~

44 (2) permit unrestricted entry to the totalisator  
45 facilities;

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1 (3) be furnished with the appropriate number of desks  
2 and chairs;

3 (4) include locking file cabinets in the work area or  
4 other locking storage facilities, in which the auditors may  
5 store computer printouts or magnetic tape and that are  
6 large enough to store all state-controlled wagering records  
7 for the association that are needed for audits by the  
8 Commission or the comptroller;

9 (5) include a video and audio device that enables the  
10 auditors to receive, simultaneously with the patrons, the  
11 same information that the patrons receive;

12 (6) have at least ~~four~~ six power outlets to operate  
13 electrical equipment;

14 (7) include a ~~private~~ telephone line; and

15 (8) if requested by the Commission or the comptroller,  
16 have an additional voice line to support dial-up  
17 capabilities for a personal computer; and

18 (9) a dedicated telephone line to be used by a fax  
19 machine.

20 (g) Commission Veterinarian's Office.

21 (1) An association shall provide a secured office area  
22 for the Commission veterinarians.

23 (2) The office must be adjacent to the drug testing  
24 area ~~barn~~ and the pre-race holding area.

25 (3) The office must consist of at least two rooms, one  
26 of which must be private. ~~The office must have a total~~  
27 ~~floor area of at least 200 square feet.~~

28 (4) At horse racetracks, ~~t~~The office must be  
29 constructed to allow a view of each of the adjacent areas.

30 (5) The office must be equipped with:

31 (A) a sink with hot and cold water built into a  
32 counter of a size required by the executive secretary;

33 (B) desks and filing cabinets, in numbers as  
34 required by the executive secretary, equipped with  
35 locks; a desk and two filing cabinets, both of which  
36 may be locked;

37 (C) at horse racetracks, refrigerators and  
38 freezers, in sizes and numbers as required by the  
39 executive secretary, equipped with locks; a  
40 refrigerator with at least 10 cubic feet of inside  
41 space and a freezer, in a size and number as required  
42 by the Commission, both equipped with locks; and

43 (D) at greyhound racetracks, a freezer in a size  
44 as required by the executive secretary; a storage  
45 area, which may be locked.

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1           (E) a storage area, of a size required by the  
2           executive secretary, with a door approved by the  
3           executive secretary.

4           (F) telephone lines with telephones as required  
5           by the executive secretary;

6           (G) television monitors as required by the  
7           executive secretary; and

8           (H) at horse racetracks, a freestanding counter  
9           of a size required by the executive secretary.

10          (6) All locks must be of a type approved by the  
11          executive secretary.

12          (h) (No change.)

13          (i) All ~~private~~ telephone lines provided under this section  
14          must:

15           (1) be assigned a unique telephone number that is  
16           directly accessible by outside callers;

17           (2) if requested by the executive secretary, be  
18           listed in the governmental section of the local telephone  
19           directory; and

20           (3) if requested by the executive secretary, be  
21           listed on the association's website. ~~have listings separate~~  
22           ~~from the association.~~

23          (j) An association shall provide at its expense computer  
24          lines, phone equipment, and any necessary voice and data  
25          network cabling circuits, and network cabling in the  
26          offices of the state regulatory and law enforcement  
27          personnel as prescribed by the executive secretary. In  
28          addition, the association shall reimburse the Commission  
29          for the costs of any network or data circuits installed or  
30          caused to be installed by the Commission at the  
31          association's location.

32          (k) All costs of telecommunications for regulatory and law  
33          enforcement personnel provided under this section shall be  
34          paid by the association and the telecommunications service  
35          may not be interrupted at any time. To ensure minimal  
36          disruption to the Commission's regulatory functions, the  
37          association shall ensure the Commission staff has twenty-  
38          four hour access and keys to any telecommunications rooms  
39          ~~adequate any access to the telecommunications equipment~~  
40          serving regulatory and law enforcement personnel as  
41          prescribed by the executive secretary.

42          (l) An association shall provide to the Commission a number  
43          of keys to the Commission offices as approved by the  
44          executive secretary.

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- 1 (m) An association shall provide, inside the enclosure and  
2 in close proximity to the Commission's regulatory offices,  
3 adequate reserved parking for Commission staff.

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- 1 **309.120. Parking for Licensees.**
- 2 An association shall provide a lighted parking area for
- 3 licensees outside the stable or kennel area.

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1 **309.168. Hazardous Weather.**

2 (a) An association shall establish procedures for ensuring  
3 that appropriate management personnel are available to  
4 consult with the stewards or judges about hazardous  
5 weather.

6 (b) After consultation with association management, the  
7 stewards or judges shall suspend live racing when hazardous  
8 weather occurs. The suspension of live racing shall take  
9 place:

10 (1) before lightning-producing thunderstorms have  
11 moved to within 6 miles of the facility; or

12 (2) whenever the facility is within the affected area  
13 of a severe thunderstorm or tornado warning as announced by  
14 the National Weather Service.

15 (c) The association shall develop and implement a plan to  
16 promptly notify individuals on association grounds of  
17 hazardous weather and assist them in seeking protection.

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Subchapter C. Horse Racetracks

1 **309.250. Test Barn.**

2 (a) An association shall provide a test barn for taking  
3 specimens for testing. The barn must be adjacent to the  
4 Commission veterinarian's office.

5 (b) The barn must be shielded from the noise and excitement  
6 of the races.

7 (c) The barn must be clean, sanitary, adequately  
8 ventilated, and safe for the horses and the individuals who  
9 handle the horses.

10 (d) The barn must be equipped with:

11 (1) a walk ring large enough to accommodate eight  
12 horses;

13 (2) at least four enclosed stalls, equipped with dutch  
14 doors and observation windows;

15 (3) a washrack that is large enough to accommodate two  
16 horses at the same time; and

17 (4) eight disinfected water buckets for drinking  
18 water.

19 (e) An association shall provide restroom facilities for  
20 the test barn employees in close proximity to the test  
21 barn.

22 (f) The area must have only one entrance, which must be  
23 that is locked or guarded at all times. The area must have  
24 a security guard present on live race days prior to the  
25 first race and remaining until all race horses have been  
26 released. The guard shall:

27 (1) restrict access to the test barn to Commission  
28 personnel, test technicians, veterinarians, authorized  
29 licensees escorting race horses for testing, and  
30 Commission-escorted guests; and

31 (2) maintain an accurate log of all horses and licensees  
32 entering and leaving the test barn on a form approved by  
33 the executive secretary.

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Subchapter C. Horse Racetracks

1 **309.294. Starting Crew.**

2 An association shall provide a starting crew for each race  
3 to assist in handling the horses in the starting gates. The  
4 association shall provide:

5 (a) one assistant starter for each Quarter Horse, Paint  
6 Horse, or Appaloosa to start in a race; and

7 (b) a sufficient number of assistant starters for the  
8 number of Thoroughbred or Arabian horses to start in a  
9 race.

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Chapter 309. Racetrack Licenses and Operations  
Subchapter C. Horse Racetracks

1 **309.296. Official Program.**

2 (a) For each race day, an association shall prepare an  
3 official program. The official program must contain the  
4 order of the races on that day and:

5 (1) for each race:

6 (A) the names of the horses in the race and their  
7 program number;

8 (B) the conditions of the race;

9 (C) the distance of the race;

10 (D) the probable odds on each horse;

11 (E) the value of the race;

12 (F) the claiming prices, if applicable; and

13 (G) the types of wagers to be offered for that  
14 race; and

15 (2) for each horse listed in the program:

16 (A) the post position;

17 (B) the age, color, sex, and breeding;

18 (C) the jockey, trainer, owner or stable name,  
19 and racing colors;

20 (D) the weight carried; and

21 (E) if the horse is eligible for participation in  
22 the Texas Bred Incentive Program, the name or logo of  
23 the appropriate official breed registry;—

24 (F) if the horse is a leased animal, the names of  
25 the lessee and lessor must appear on the program; and

26 (G) the city and state of the owner or the  
27 designated representative.

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

Texas Racing Commission  
Title 16, Part VIII  
Chapter 309. Racetrack Licenses and Operations  
Subchapter D. Greyhound Racetracks  
Facilities and Equipment

1 **309.309. Lockout Kennel.**

2 (a) An association shall provide a lockout kennel that:

3 (1) is soundproof, to prevent noise from disturbing  
4 the greyhounds that are waiting to race;

5 (2) is air-conditioned sufficiently to maintain a  
6 temperature between 68 and 75 degrees Fahrenheit; and

7 (3) has sealed or ceramic floors and walls to permit  
8 proper cleaning and disinfection. ~~and~~

9 ~~(4) has a one-way viewing window to allow the trainers  
10 to view the interior of the lockout kennel.~~

11 (b) Each crate located in the lockout kennel must:

12 (1) be constructed of a smooth, hard material, such as  
13 stainless steel or tile;

14 (2) be at least three feet wide, four feet deep, and  
15 four feet high;

16 (3) be constructed so that the crate floor is not in  
17 direct contact with the concrete surface;

18 (4) be located on the floor level to prevent  
19 greyhounds from sustaining jumping injuries; and

20 (5) have a drop latch on the door.

21 (c) An association shall provide a comfortable room near  
22 ~~adjacent to~~ the lockout kennel in which a kennel owner or  
23 trainer may view the race. The association shall also  
24 provide kennel owners and trainers a method, as approved by  
25 the executive secretary, for monitoring the interior of the  
26 lockout kennel and the back of the starting box. and view  
27 ~~the interior of the lockout kennel.~~

28 (d) An association shall provide an area adjacent to the  
29 lockout kennel in which a greyhound can wait to weigh-in  
30 and cool down following a race or wait for schooling races.  
31 The area must:

32 (1) be large enough to comfortably accommodate 100  
33 greyhounds and the leadouts and trainers;

34 (2) be adequately shaded and fenced to shield the  
35 greyhounds' view of the racetrack;

36 (3) have eight water faucets with hoses;

37 (4) have a disinfected dipping vat, approved by the  
38 Commission veterinarian, through which a greyhound may be  
39 walked to assist in cooling down following a race; and

40 (5) have adequate drainage.

Texas Racing Commission  
Title 16, Part VIII  
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Subchapter D. Greyhound Racetracks  
Facilities and Equipment

1 **309.311. Kennel Compound.**

2 (a) An association shall provide in the kennel compound  
3 area:

4 (1) not more than 18 separate kennel buildings for the  
5 kennel owners under contract with the association; and

6 (2) if the association has contracted with kennel owners to  
7 fill all of the kennel buildings, a separate kennel  
8 building for greyhounds that will be participating in stake  
9 races, designed to accommodate several trainers and their  
10 greyhounds.

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

Texas Racing Commission  
Title 16, Part VIII  
Chapter 309. Racetrack Licenses and Operations  
Subchapter D. Greyhound Racetracks  
Facilities and Equipment

1 **309.312. Turnout Pens.**

2 (a) Each kennel building must have at least three turnout  
3 pens. Each pen must:

4 (1) be free of any obstructions;

5 (2) measure at least 20 feet by 40 feet;

6 (3) have gates that connect to the other pens;

7 (4) have at least a 15 foot overhang from the  
8 building;

9 (5) have at least two halogen lights of 300 watts each  
10 located at each end;

11 (6) be surrounded by a fence at least six feet high,  
12 of which the lower 32 inches is constructed of cinder block  
13 or a comparable material and the remaining portion is  
14 constructed of chain link;

15 (7) have a gate adequate to accommodate a vehicle to  
16 remove the sand and deposit new sand;

17 (8) have adequate water faucets; ~~and drainage; and~~

18 (9) have an adequate drainage system; and

19 (10) have sand or a comparable material of a depth  
20 adequate to be maintained in a sanitary state. ~~a minimum of~~  
21 ~~12 inches of sand or a comparable material that is replaced~~  
22 ~~at least every 3 months.~~

23 (b) The sand and drainage system are subject to periodic  
24 inspection by the commission veterinarian.

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Facilities and Equipment

1 **309.314. Sprint Path.**

2 An association shall provide, for every three occupied  
3 kennel buildings, a sprint path located adjacent to the  
4 kennel compound area. The sprint path must:

5 (1) be at least 30 feet wide and 400 feet long;

6 (2) be divided down the middle by a chain link fence;

7 (3) have at least one gate on each end for entering or  
8 exiting with greyhounds;

9 (4) have a driveway along the side;

10 (5) have a base and surface comparable to the  
11 racetrack surface; ~~and~~

12 (6) have a highly visible material at both ends; and

13 (7) be maintained by the association at all times.

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