



**TEXAS RACING COMMISSION**

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

Texas Racing Commission  
Tuesday, June 9, 2015  
10:30 a.m.  
John H. Reagan Building  
105 W. 15th Street  
Austin, Texas 78701

**AGENDA**

**I. CALL TO ORDER**  
Roll Call

**II. PUBLIC COMMENT**

**III. GENERAL BUSINESS**

Discussion and consideration of the following matters:

- A. Recognition of Dr. Ken Quirk, Chief Veterinarian
- B. Reports by the Executive Director and Staff regarding Administrative Matters
  - 1) Budget and Finance Update
  - 2) Report on Wagering Statistics
  - 3) Inspection and Enforcement Reports

**IV. PROCEEDINGS ON RACETRACKS**

Discussion, consideration and possible action on the following matters:

- A. Request by Gillespie County Fair for Approval of Tote Services Agreement with United Tote Company

## **V. PROCEEDINGS ON RULEMAKING**

Discussion, consideration and possible action on the following matters:

- A. Proposal to Amend Rule 309.8, Racetrack License Fees
- B. Proposal for New Rule 309.365, Breakage
- C. Proposal to Amend Rule 315.111, Schooling
- D. Proposal to Amend Rule 319.1, Purpose and Definitions
- E. Proposals Related to Safety Equipment
  - 1) Proposal to Amend Rule 311.216, Conduct in Stable Area
  - 2) Proposal for New 311.218, Safety Equipment
  - 3) Proposal to Amend Rule 313.405, Whips and Other Equipment
  - 4) Proposal to Amend Rule 313.406, Colors and Number
- F. Proposal to Amend Rule 313.406, Colors and Number
- G. Proposal to Amend Rule 311.101, Horse Owners
- H. Proposal to Amend Rule 311.102, Greyhound Owners

Proposals to Amend and Repeal Rules Related to Historical Racing.

- I. Proposal to Amend Rule 301.1, Definitions
- J. Proposal to Amend Rule 303.31, Regulation of Racing
- K. Proposal to Amend Rule 303.42, Approval of Charity Race Days
- L. Proposal to Amend Rule 309.8, Racetrack License Fees
- M. Proposal to Amend Rule 309.297, Purse Accounts
- N. Proposal to Amend Rule 309.299, Horsemen's Representative
- O. Proposal to Amend Rule 309.361, Greyhound Purse Account and Kennel Account
- P. Proposal to Amend Rule 321.5, Pari-Mutuel Auditor
- Q. Proposal to Amend Rule 321.12, Time Synchronization
- R. Proposal to Amend Rule 321.13, Pari-Mutuel Track Report
- S. Proposal to Amend Rule 321.23, Wagering Explanations
- T. Proposal to Amend Rule 321.25, Wagering Information
- U. Proposal to Amend Rule 321.27, Posting of Race Results
- V. Proposal to Repeal Subchapter F, Regulation of Historical Racing, including the Repeal of the Following Rules:
  - 1) Rule 321.701, Purpose
  - 2) Rule 321.703, Historical Racing
  - 3) Rule 321.705, Request to Conduct Historical Racing
  - 4) Rule 321.707, Requirements for Operating a Historical Racing Totalisator System
  - 5) Rule 321.709, Types of Pari-Mutuel Wagers for Historical Racing

- 6) Rule 321.711, Historical Racing Pools; Seed Pools
- 7) Rule 321.713, Deductions from Pari-Mutuel Pools
- 8) Rule 321.715, Contract Retention, Pari-Mutuel Wagering Record Retention
- 9) Rule 321.717, Effect of Conflict
- 10) Rule 321.719, Severability

## **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(1), the Commission may open an executive session to seek the advice of its attorney regarding pending or contemplated litigation, or regarding a settlement offer.
- B. Under Government Code Sec. 551.071(2), the Commission may open an executive session to discuss all matters identified in this agenda where the commission seeks the advice of its attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas. This may include, but is not limited to, legal advice regarding the Open Meetings Act, the Administrative Procedures Act, and the Texas Racing Act.
- C. Under Texas Racing Act, Tex. Rev. Civ. Stat. Ann. art. 179e, Sec. 6.03, the Commission may open an executive session to review security plans and management, concession, and totalisator contracts.

## **VII. SCHEDULING OF NEXT COMMISSION MEETING**

## **VIII. ADJOURN**

# Texas Racing Commission

FYE 08/31/2015  
 Operating Budget Status  
 by LBB Expenditure Object/Codes

OBS-1

Strategy	Program Description	FY 2015 Annual Budget	FY 2015 Expended Thru 4/30/2015	FY 2015 Unexpended Bal 8/31/2015	With 66.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i> A.1.1.	(0.50) FTE's = 4.50 <u>Regulate Racetrack Owners</u>				
Base Appr =	1001 Salaries and Wages	333,985.29	212,334.59	121,650.70	63.58%
\$ 400,839.00	1002 Other Personnel Cost	12,379.88	6,967.60	5,412.28	56.28%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 9,618.00	2003 Consumables	-	592.08	(592.08)	0.00%
Total Appr =	2004 Utilities	-	-	-	
\$ 410,457.00	2005 Travel	9,250.00	5,506.00	3,744.00	59.52%
Budgeted =	2006 Rent Building	-	-	-	
\$ 359,315.17	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	3,700.00	2,650.89	1,049.11	71.65%
(51,141.83)	CB Computer Equipment	-	-	-	
-12.76%	Total Strategy A.1.1.	359,315.17	228,051.16	131,264.01	63.47%
<i>Appropriated</i> A.2.1.	0 FTE's = 0 <u>Texas Bred Incentive</u>				
	ATB Money Expended	3,475,000.00	1,998,651.25	1,476,348.75	57.52%
3,475,000.00	Total Strategy A.2.1.	3,475,000.00	1,998,651.25	1,476,348.75	57.52%
<i>Appropriated</i> A.3.1.	0.60 FTE's = 9.30 <u>Supervise Racing and Licensees</u>				
Base Appr =	1001 Salaries and Wages	580,678.70	349,771.20	230,907.50	60.23%
\$ 591,228.00	1002 Other Personnel Cost	41,645.40	15,099.13	26,546.27	36.26%
Sup Appr =	2001 Prof Fees and Services	2,500.00	-	2,500.00	0.00%
\$ 16,911.00	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	3,445.20	(3,445.20)	
\$ 608,139.00	2005 Travel	50,420.00	22,846.50	27,573.50	45.31%
Budgeted =	2006 Rent Building	-	-	-	
\$ 679,144.10	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	3,900.00	2,775.40	1,124.60	71.16%
71,005.10	CB Computer Equipment	-	-	-	
12.01%	Total Strategy A.3.1.	679,144.10	393,937.43	285,206.67	58.00%
<i>Appropriated</i> A.3.2.	(0.50) FTE's = 3.70 <u>Monitor Occupational Licensee Act.</u>				
Base Appr =	1001 Salaries and Wages	200,472.18	123,949.10	76,523.08	61.83%
\$ 271,136.00	1002 Other Personnel Cost	21,080.96	19,196.06	1,884.90	91.06%
Sup Appr =	2001 Prof Fees and Services	1,000.00	227.94	772.06	22.79%
\$ 5,879.00	2003 Consumables	2,500.00	323.80	2,176.20	12.95%
Total Appr =	2004 Utilities	-	-	-	
\$ 277,015.00	2005 Travel	35,019.00	22,168.52	12,850.48	63.30%
Budgeted =	2006 Rent Building	-	-	-	
\$ 263,572.14	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	3,500.00	1,435.20	2,064.80	41.01%
\$ (13,442.86)	CB Computer Equipment	-	-	-	
-4.96%	Total Strategy A.3.2.	263,572.14	167,300.62	96,271.52	63.47%
<i>Appropriated</i> A.4.1.	0.50 FTE's = 3.10 <u>Inspect and Provide Emerg. Care</u>				
Base Appr =	1001 Salaries and Wages	204,967.64	133,044.16	71,923.48	64.91%
\$ 292,515.00	1002 Other Personnel Cost	8,174.51	2,169.97	6,004.54	26.55%
Sup Appr =	2001 Prof Fees and Services	92,500.00	37,358.39	55,141.61	40.39%
\$ 5,465.00	2003 Consumables	-	166.49	(166.49)	
Total Appr =	2004 Utilities	-	-	-	
\$ 297,980.00	2005 Travel	21,783.00	9,397.51	12,385.49	43.14%
Budgeted =	2006 Rent Building	-	-	-	
\$ 331,575.15	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	4,150.00	4,250.82	(100.82)	102.43%
\$ 33,595.15	CB Computer Equipment	-	-	-	
11.48%	Total Strategy A.4.1.	331,575.15	186,387.34	145,187.81	56.21%

# Texas Racing Commission

FYE 08/31/2015  
Operating Budget Status  
by LBB Expenditure Object/Codes

OBS-2

Strategy	Program Description	FY 2015 Annual Budget	FY 2015 Expended Thru 4/30/2015	FY 2015 Unexpended Bal 8/31/2015	With 66.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i> A.4.2.	0.50 FTE's = <u>Administer Drug Testing</u> 4.30				
Base Appr =	1001 Salaries and Wages	255,259.07	157,777.18	97,481.89	61.81%
\$ 248,903.00	1002 Other Personnel Cost	8,688.89	4,886.15	3,802.74	56.23%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 7,577.00	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 256,480.00	2005 Travel	12,184.00	13,540.54	(1,356.54)	111.13%
Budgeted =	2006 Rent Building	-	-	-	
\$ 280,831.95	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	4,700.00	2,535.38	2,164.62	53.94%
\$ 24,351.95	CB Computer Equipment	-	-	-	
9.78%	<b>Total</b> Strategy A.4.2.	280,831.95	178,739.25	102,092.70	63.65%
<i>Appropriated</i> B.1.1.	(0.60) FTE's = <u>Occupational Licensing</u> 7.10				
Base Appr =	1001 Salaries and Wages	276,847.21	179,503.21	97,344.00	64.84%
\$ 537,680.00	1002 Other Personnel Cost	13,592.71	11,815.03	1,777.68	86.92%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 9,780.00	2003 Consumables	5,000.00	134.33	4,865.67	2.69%
Total Appr =	2004 Utilities	-	-	-	
\$ 547,460.00	2005 Travel	24,400.00	15,300.85	9,099.15	62.71%
Budgeted =	2006 Rent Building	-	-	-	
\$ 516,339.92	2007 Rent Machine	8,000.00	4,945.84	3,054.16	61.82%
Difference	2009 Other Operating Cost	188,500.00	52,693.52	135,806.48	27.95%
\$ (31,120.08)	CB Computer Equipment	-	-	-	
-5.79%	<b>Total</b> Strategy B.1.1.	516,339.92	264,392.78	251,947.14	51.21%
<i>Appropriated</i> B.1.2.	- FTE's = <u>Texas OnLine</u> 0				
Base Appr =	1001 Salaries and Wages	-	-	-	
\$ 22,500.00	1002 Other Personnel Cost	-	-	-	
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ -	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 22,500.00	2005 Travel	-	-	-	
Budgeted =	2006 Rent Building	-	-	-	
\$ 22,500.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	22,500.00	9,948.00	12,552.00	44.21%
\$ -	CB Computer Equipment	-	-	-	
0.00%	<b>Total</b> Strategy B.1.2.	22,500.00	9,948.00	12,552.00	44.21%
<i>Appropriated</i> C.1.1.	(0.20) FTE's = <u>Monitor Wagering and Audit</u> 4.80				
Base Appr =	1001 Salaries and Wages	275,344.37	156,515.12	118,829.25	56.84%
\$ 321,110.00	1002 Other Personnel Cost	13,130.17	42,026.04	(28,895.87)	320.07%
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 8,513.00	2003 Consumables	1,000.00	-	1,000.00	0.00%
Total Appr =	2004 Utilities	-	-	-	
\$ 329,623.00	2005 Travel	21,100.00	8,735.01	12,364.99	41.40%
Budgeted =	2006 Rent Building	-	-	-	
\$ 326,774.53	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	16,200.00	6,209.00	9,991.00	38.33%
\$ (2,848.47)	CB Computer Equipment	-	-	-	
-0.89%	<b>Total</b> Strategy C.1.1.	326,774.53	213,485.17	113,289.36	65.33%

# Texas Racing Commission

FYE 08/31/2015

OBS-3

Operating Budget Status  
by LBB Expenditure Object/Codes

Strategy	Program Description	FY 2015 Annual Budget	FY 2015 Expended Thru 4/30/2015	FY 2015 Unexpended Bal 8/31/2015	With 66.7% of Year Lapsed % of Budget Expended
<i>Appropriated</i> C.1.2.	- FTE's = 3.00 <u>Wagering &amp; Compliance Inspections</u>				
Base Appr =	1001 Salaries and Wages	143,971.65	67,715.45	76,256.20	47.03%
\$ 242,242.00	1002 Other Personnel Cost	5,339.57	3,265.41	2,074.16	61.15%
Sup Appr =	2001 Prof Fees and Services	50,000.00	24,970.00	25,030.00	49.94%
\$ 4,383.00	2003 Consumables	1,000.00	-	1,000.00	0.00%
Total Appr =	2004 Utilities	-	-	-	
\$ 246,625.00	2005 Travel	16,000.00	6,999.35	9,000.65	43.75%
Budgeted =	2006 Rent Building	-	-	-	
\$ 217,211.23	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	900.00	241.84	658.16	26.87%
\$ (29,413.77)	CB Computer Equipment	-	-	-	
<b>-12.14%</b>	<b>Total Strategy C.1.2.</b>	<b>217,211.23</b>	<b>103,192.05</b>	<b>114,019.18</b>	<b>47.51%</b>
<i>Appropriated</i> D.1.1.	0.20 FTE's = 7.00 <u>Central Administration</u>				
Base Appr =	1001 Salaries and Wages	409,368.44	255,607.95	153,760.49	62.44%
\$ 730,012.00	1002 Other Personnel Cost	21,286.67	10,431.60	10,855.07	49.01%
Sup Appr =	2001 Prof Fees and Services	16,500.00	15,134.01	1,365.99	91.72%
\$ 11,900.00	2003 Consumables	12,500.00	8,048.74	4,451.26	64.39%
Total Appr =	2004 Utilities	58,000.00	33,868.48	24,131.52	58.39%
\$ 741,912.00	2005 Travel	23,500.00	6,865.96	16,634.04	29.22%
Budgeted =	2006 Rent Building	86,250.00	64,324.23	21,925.77	74.58%
\$ 735,830.10	2007 Rent Machine	1,500.00	896.44	603.56	59.76%
Difference	2009 Other Operating Cost	106,925.00	57,326.58	49,598.42	53.61%
\$ (6,081.90)	CB Computer Equipment	-	-	-	0.00%
<b>-0.83%</b>	<b>Total Strategy D.1.1.</b>	<b>735,830.10</b>	<b>452,503.99</b>	<b>283,326.11</b>	<b>61.50%</b>
<i>Appropriated</i> D.1.2.	- FTE's = 4.80 <u>Information Resources</u>				
Base Appr =	1001 Salaries and Wages	304,548.36	168,118.08	136,430.28	55.20%
\$ 507,335.00	1002 Other Personnel Cost	14,359.35	8,745.87	5,613.48	60.91%
Sup Appr =	2001 Prof Fees and Services	56,000.00	20,428.50	35,571.50	36.48%
\$ 9,277.00	2003 Consumables	15,000.00	3,911.00	11,089.00	26.07%
Total Appr =	2004 Utilities	1,200.00	633.14	566.86	52.76%
\$ 516,612.00	2005 Travel	4,500.00	875.38	3,624.62	19.45%
Budgeted =	2006 Rent Building	2,700.00	-	2,700.00	0.00%
\$ 521,708.71	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	123,401.00	36,205.66	87,195.34	29.34%
\$ 5,096.71	CB Computer Equipment	-	-	-	
<b>1.00%</b>	<b>Total Strategy D.1.2.</b>	<b>521,708.71</b>	<b>238,917.63</b>	<b>282,791.08</b>	<b>45.80%</b>
<i>Appropriated</i> D.1.3.	- FTE's = 51.60 <u>Other Support Services</u>				
Base Appr =	1001 Salaries and Wages	-	-	-	
\$ 7,640,500.00	1002 Other Personnel Cost	-	-	-	
Sup Appr =	2001 Prof Fees and Services	-	-	-	
\$ 89,303.00	2003 Consumables	-	-	-	
Total Appr =	2004 Utilities	-	-	-	
\$ 7,729,803.00	2005 Travel	-	-	-	
Budgeted =	2006 Rent Building	-	-	-	
\$ 7,729,803.00	2007 Rent Machine	-	-	-	
Difference	2009 Other Operating Cost	-	-	-	
\$ 0.00	CB Computer Equipment	-	-	-	
<b>0.00%</b>	<b>Total Strategy D.1.3.</b>	<b>-</b>	<b>-</b>	<b>-</b>	
\$ 4,254,803	Regulatory Program Operating Budget	4,254,803.00	2,436,855.42	1,817,947.58	57.27%
\$ 3,475,000	TX Bred Program Operating Budget	3,475,000.00	1,998,651.25	1,476,348.75	57.52%
\$ 7,729,803	Total M.O.F. (TXRC Acct. 597 & GR)	7,729,803.00	4,435,506.67	3,294,296.33	57.38%
	<b>Total All Programs Operating Budget</b>				

# Texas Racing Commission

FYE 08/31/2015  
Operating Budget Status  
by LBB Expenditure Object/Codes

OBS-4

Strategy	Program Description	FY 2015 Annual Budget	FY 2015 Expended Thru 4/30/2015	FY 2015 Unexpended Bal 8/31/2015	With 66.7% of Year Lapsed % of Budget Expended
\$ -	FTE's = 51.60				
<i>Appropriated</i>	<b>Direct Expense of Regulatory Programs</b>				
	1001 Salaries and Wages	2,985,442.90	1,804,336.04	1,181,106.86	60.44%
	1002 Other Personnel Cost	159,678.10	124,602.86	35,075.24	78.03%
	2001 Prof Fees and Services	218,500.00	98,118.84	120,381.16	44.91%
	2003 Consumables	37,000.00	13,176.44	23,823.56	35.61%
	2004 Utilities	59,200.00	37,946.82	21,253.18	64.10%
	2005 Travel	218,156.00	112,235.62	105,920.38	51.45%
	2006 Rent Building	88,950.00	64,324.23	24,625.77	72.32%
	2007 Rent Machine	9,500.00	5,842.28	3,657.72	61.50%
	2009 Other Operating Cost	478,376.00	176,272.29	302,103.71	36.85%
	CB Computer Equipment	-	-	-	0.00%
\$ 4,254,803	<b>Total Direct Expense of Regulatory Program</b>	4,254,803.00	2,436,855.42	1,817,947.58	57.27%
\$ 3,475,000	FTE's = - Direct Expense of TX Bred Program	3,475,000.00	1,998,651.25	1,476,348.75	57.52%
\$ 7,729,803	FTE's = 51.60 Total Direct Expense of All Programs	7,729,803.00	4,435,506.67	3,294,296.33	57.38%
<i>Un-Appropriated</i>	<b>Indirect Expense of All Programs</b>				
	OASI Match	229,141.49	139,918.22	89,223.27	61.06%
	Group Insurance	321,472.61	188,947.10	132,525.51	58.78%
	State Retirement	224,283.22	119,764.42	104,518.80	53.40%
	Benefit Replacement	13,000.00	8,878.36	4,121.64	68.30%
	ERS Retiree Insurance	260,000.00	177,023.72	82,976.28	68.09%
	SWCAP GR Reimburse	30,000.00	27,410.00	2,590.00	91.37%
	Unemployment Cost	10,000.00	-	10,000.00	0.00%
	Other	-	-	-	-
\$ 1,087,897	<b>Total Indirect Expense of All Programs</b>	1,087,897.32	661,941.82	425,955.50	60.85%
\$ 8,817,700	<b>Total Direct and Indirect Expense of All Programs</b>	8,817,700.32	5,097,448.49	3,720,251.83	57.81%

Source Of Funds	Agency Method Of Finance	FY 2015 Projected Revenue	FY 2015 Actual Revenue Thru 4/30/2015	N/A	With 66.7% of Year Lapsed % of Revenue Collected
	<b>Regulatory Program MOF:</b>				
Acct. 597	Cash Balance Carry Forward	\$ 915,420.05	\$ 915,420.05		n/a
Acct. 597	Live Race Day Fees	\$ -	\$ -		
Acct. 597	Simulcast Race Day Fees	\$ -	\$ -		
Acct. 597	Annual License Fees (Active & Inactive)	\$ 4,191,244.00	\$ 3,177,496.00		75.81%
Acct. 597	Outs	\$ -	\$ -		
Acct. 597	Occupational License Fees and Fines	\$ 747,458.00	\$ 516,151.85		69.05%
Acct. 597	Other Revenue	\$ 23,867.00	\$ 26,242.57		109.95%
Acct. 1	GR Funds	\$ -	\$ -		
	<b>Sub-Total Regulatory Prgm. MOF</b>	\$ 5,877,989.05	\$ 4,635,310.47		78.86%
	<b>Texas Bred Program MOF:</b>				
Acct. 597	Cash Balance Carry Forward	\$ -	\$ -		
Acct. 597	Breakage and 1% Exotic	\$ 3,475,000.00	\$ 1,998,651.25		57.52%
Acct. 597	Other	\$ -	\$ -		
	<b>Sub-Total Texas Bred Prgm. MOF</b>	\$ 3,475,000.00	\$ 1,998,651.25		57.52%
All Sources	<b>Total MOF</b>	\$ 9,352,989.05	\$ 6,633,961.72		70.93%
	<b>MOF Estimated to Exceed or (Fall-Short of Covering) Direct &amp; Indirect Expenses of Operating Budget</b>	\$ 535,288.73	\$ 1,536,513.23		



## Fiscal Year 2015 Operational Budget

Updated: May 14, 2015  
Thru: April 30, 2015

### Summary of Operating Revenue

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
<b>Account 597 - Racing Commission - GRD</b>	\$ 9,352,989	\$ 6,633,962	\$ -	\$ 2,719,027	29%
<b>Account 1 - State of Texas - GR</b>	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL - ALL REVENUES</b>	\$ 9,352,989	\$ 6,633,962	\$ -	\$ 2,719,027	29%

### Summary of Appropriated Operating Expenses

	Budget	Expended	Encumbered	Unexpended Balance	%
<b>1001 - Salaries and Wages:</b>	\$ 2,985,443	\$ 1,804,336	\$ -	\$ 1,181,107	40%
<b>1002 - Other Personnel Cost:</b>	\$ 159,678	\$ 124,603	\$ -	\$ 35,075	22%
<b>2001 - Professional Fees and Services:</b>	\$ 218,500	\$ 98,119	\$ -	\$ 120,381	55%
<b>2003 - Consumable Supplies:</b>	\$ 37,000	\$ 13,176	\$ -	\$ 23,824	64%
<b>2004 - Utilities:</b>	\$ 59,200	\$ 37,947	\$ -	\$ 21,253	36%
<b>2005 - Travel:</b>	\$ 218,156	\$ 112,236	\$ -	\$ 105,920	49%
<b>2006 - Rent Building:</b>	\$ 88,950	\$ 64,324	\$ -	\$ 24,626	28%
<b>2007 - Rent Machine and Other:</b>	\$ 9,500	\$ 5,842	\$ -	\$ 3,658	39%
<b>2009 - Other Operating Expense:</b>	\$ 478,376	\$ 176,272	\$ -	\$ 302,104	63%
<b>4000 - Grants</b>	\$ 3,475,000	\$ 1,998,651	\$ -	\$ 1,476,349	42%
<b>5000 - Capital Expenditures:</b>	\$ -	\$ -	\$ -	\$ -	0.00%
<b>TOTAL - ALL APPROPRIATED EXPENDITURES</b>	\$ 7,729,803	\$ 4,435,507	\$ -	\$ 3,294,296	43%

### Unappropriated Operating Expenses

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
<b>TOTAL - ALL UNAPPROPRIATED EXPENDITURES</b>	\$ 1,087,897	\$ 661,942	\$ -	\$ 425,956	39%
<b>TOTAL - ALL EXPENDITURES</b>	\$ 8,817,700	\$ 5,097,448	\$ -	\$ 3,720,252	42%
<b>OPERATING SURPLUS / (DEFICIT)</b>	\$ 535,289	\$ 1,536,513			

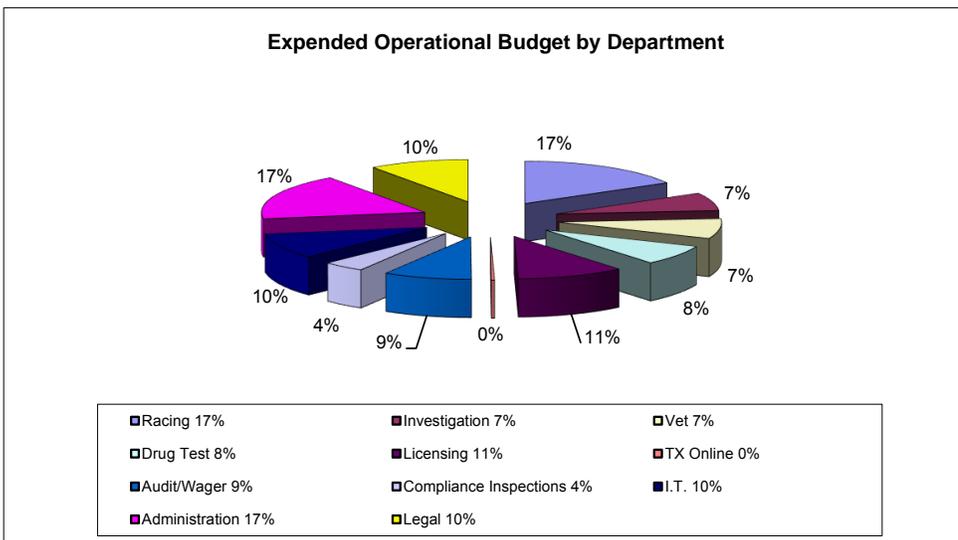
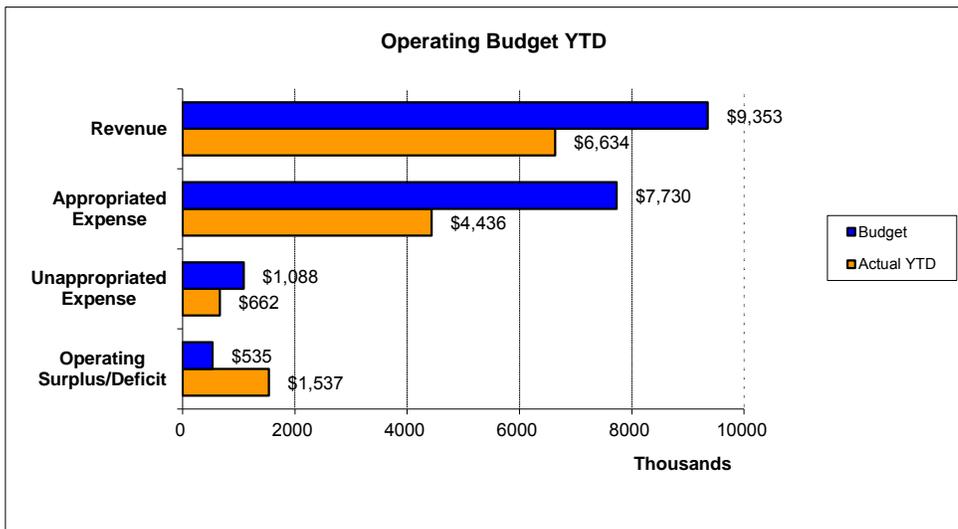
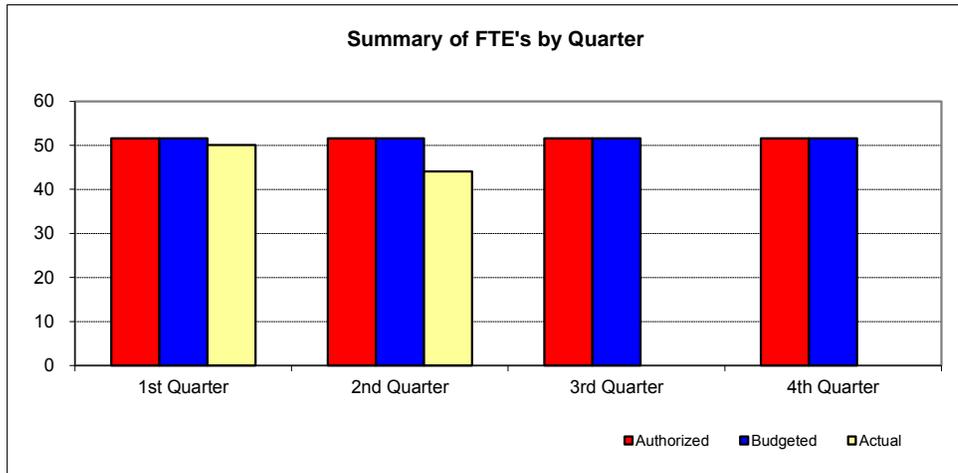
### Summary of FTE's

By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Authorized FTE's	51.60	51.60	51.60	51.60
Budgeted FTE's	51.60	51.60	51.60	51.60
Actual FTE's	50.10	44.10	0.00	0.00
<b>Actual FTE's Over / (Under) Budget</b>	(1.50)	(7.50)	n/a	n/a
<b>Actual FTE's Over / (Under) Authorization</b>	(1.50)	(7.50)	n/a	n/a



# Fiscal Year 2015 Operational Budget

Updated: May 14, 2015  
Thru: April 30, 2015





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

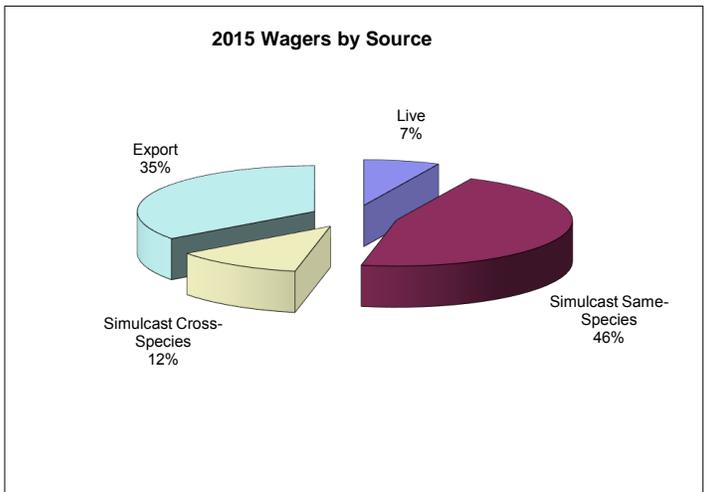
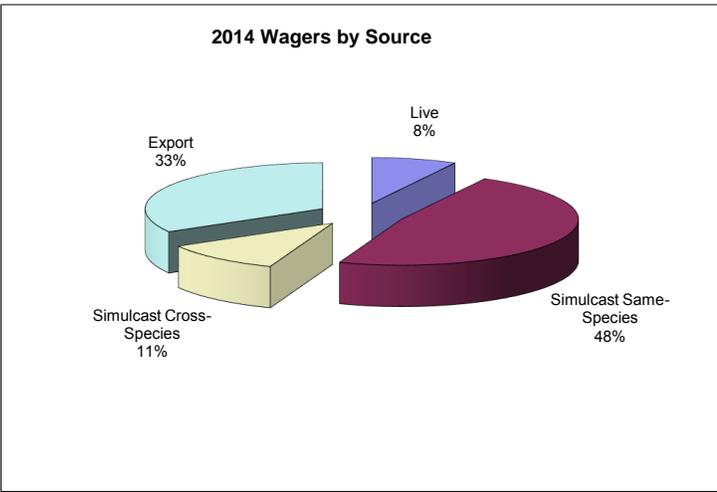
For the Period: 01/01/14 -05/31/14 to 01/01/15 -05/31/15

Sources of Wagers	Year 2014 01/01 - 05/31				Year 2015 01/01 -05/31				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers		
<b>Greyhound Racetracks</b>										
Live	98	2,929,264	\$ 29,890	106	2,788,165	\$ 26,303	-4.82%	-12.00%		
Simulcast Same-Species	391	12,216,365	\$ 31,244	390	12,368,280	\$ 31,714	1.24%	1.50%		
Simulcast Cross-Species	391	9,757,529	\$ 24,955	390	9,684,071	\$ 24,831	-0.75%	-0.50%		
Export	98	4,570,723	\$ 46,640	105	4,668,496	\$ 44,462	2.14%	-4.67%		
<b>Total Wagers</b>		29,473,882	N/A		29,509,013	N/A	0.12%	N/A		

<b>Sources of Wagers</b>										
<b>Horse Racetracks</b>										
Live	85	13,784,294	\$ 162,168	84	12,170,253	\$ 144,884	-11.71%	-10.66%		
Simulcast Same-Species	539	90,739,864	\$ 168,349	541	87,421,983	\$ 161,593	-3.66%	-4.01%		
Simulcast Cross-Species	539	13,837,215	\$ 25,672	541	15,637,252	\$ 28,904	13.01%	12.59%		
Export	85	67,111,278	\$ 789,544	84	71,046,327	\$ 845,790	5.86%	7.12%		
<b>Total Wagers</b>		185,472,650	N/A		186,275,814	N/A	0.43%	N/A		

<b>Sources of Wagers</b>										
<b>All Texas Racetracks</b>										
Live	183	16,713,558	\$ 91,331	190	14,958,418	\$ 78,729	-10.50%	-13.80%		
Simulcast Same-Species	930	102,956,229	\$ 110,706	931	99,790,263	\$ 107,186	-3.08%	-3.18%		
Simulcast Cross-Species	930	23,594,744	\$ 25,371	931	25,321,323	\$ 27,198	7.32%	7.20%		
Export	183	71,682,001	\$ 391,705	189	75,714,823	\$ 400,608	5.63%	2.27%		
<b>Total Wagers</b>		214,946,532	N/A		215,784,827	N/A	0.39%	N/A		

<b>Total Wagers Placed in Texas</b>		143,264,531	N/A		140,070,005	N/A	-2.23%	N/A
<b>Total Wagers Placed on Texas Races</b>		88,395,559	N/A		90,673,241	N/A	2.58%	N/A





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

For the Period: 01/01/14 -05/31/14 to 01/01/15 -05/31/15

Sources of Wagers	Year 2014 01/01 - 05/31			Year 2015 01/01 -05/31			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
<b>Gulf Coast Racing</b>								
Live	0	0	N/A	0	0	N/A	N/A	N/A
Simulcast Same-Species	111	3,440,129	\$ 30,992	109	3,861,414	\$ 35,426	12.25%	14.31%
Simulcast Cross-Species	111	1,894,251	\$ 17,065	109	2,001,481	\$ 18,362	5.66%	7.60%
Export	0	0	N/A	0	0	N/A	N/A	N/A
<b>Total Wagers</b>		<b>5,334,380</b>	<b>N/A</b>		<b>5,862,895</b>	<b>N/A</b>	<b>9.91%</b>	<b>N/A</b>

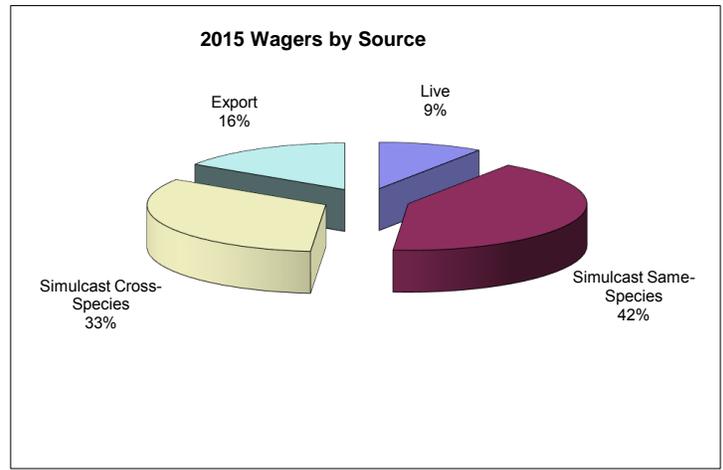
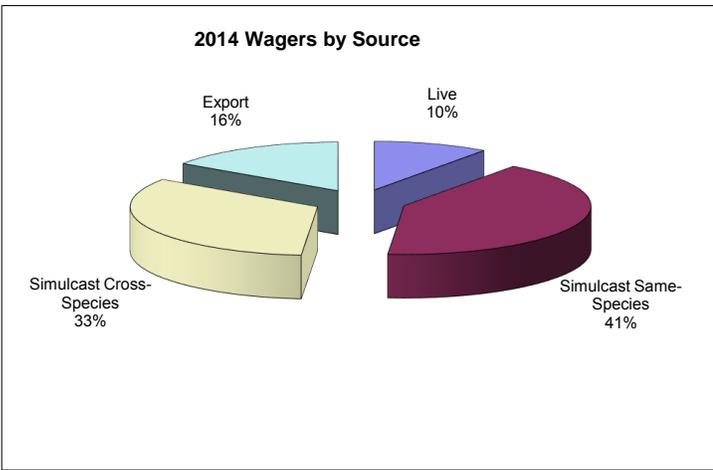
Sources of Wagers								
<b>Gulf Greyhound Park</b>								
Live	98	2,929,264	\$ 29,890	106	2,788,165	\$ 26,303	-4.82%	-12.00%
Simulcast Same-Species	150	5,129,832	\$ 34,199	151	5,024,774	\$ 33,277	-2.05%	-2.70%
Simulcast Cross-Species	150	4,728,350	\$ 31,522	151	5,159,405	\$ 34,168	9.12%	8.39%
Export	98	4,570,723	\$ 46,640	105	4,668,496	\$ 44,462	2.14%	-4.67%
<b>Total Wagers</b>		<b>17,358,170</b>	<b>N/A</b>		<b>17,640,840</b>	<b>N/A</b>	<b>1.63%</b>	<b>N/A</b>

Sources of Wagers								
<b>Valley Race Park</b>								
Live	0	0	N/A	0	0	\$ -	N/A	N/A
Simulcast Same-Species	130	3,646,404	\$ 28,049	130	3,482,093	\$ 26,785	-4.51%	-4.51%
Simulcast Cross-Species	130	3,134,929	\$ 24,115	130	2,523,186	\$ 19,409	-19.51%	-19.51%
Export	0	0	N/A	0	0	N/A	N/A	N/A
<b>Total Wagers</b>		<b>6,781,332</b>	<b>N/A</b>		<b>6,005,279</b>	<b>N/A</b>	<b>-11.44%</b>	<b>N/A</b>

Sources of Wagers								
<b>All Greyhound Racetracks</b>								
Live	98	2,929,264	\$ 29,890	106	2,788,165	\$ 26,303	-4.82%	-12.00%
Simulcast Same-Species	391	12,216,365	\$ 31,244	390	12,368,280	\$ 31,714	1.24%	1.50%
Simulcast Cross-Species	391	9,757,529	\$ 24,955	390	9,684,071	\$ 24,831	-0.75%	-0.50%
Export	98	4,570,723	\$ 46,640	105	4,668,496	\$ 44,462	2.14%	-4.67%
<b>Total Wagers</b>		<b>29,473,882</b>	<b>N/A</b>		<b>29,509,013</b>	<b>N/A</b>	<b>0.12%</b>	<b>N/A</b>

<b>Total Wagers Placed in Texas</b>	24,903,159	N/A	24,840,517	N/A	-0.25%	N/A
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<b>Total Wagers Placed on Texas Races</b>	7,499,987	N/A	7,456,661	N/A	-0.58%	N/A
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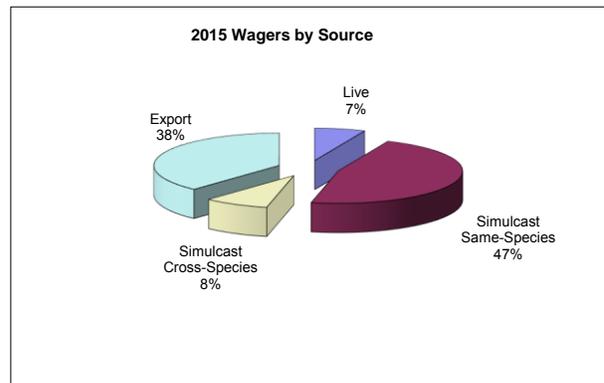
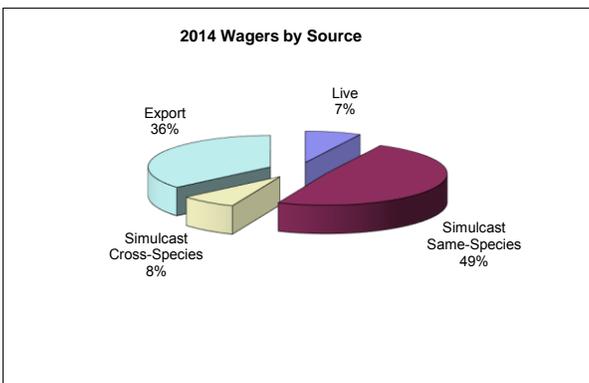


**Horse Racetrack Wagering Statistics  
Comparison Report on Total Wagers Placed**

**in Texas & on Texas Races**

For the Period: 01/01/14 -05/31/14 to 01/01/15 -05/31/15

Sources of Wagers	Year 2014 01/01 - 05/31				Year 2015 01/01 -05/31				Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager		
<b>Gillespie County Fair</b>										
Live	0	0	N/A	0	0	N/A	N/A	N/A	N/A	N/A
Simulcast Same-Species	86	1,284,360	\$ 14,934	88	1,786,985	\$ 20,307	39.13%	35.97%		
Simulcast Cross-Species	86	177,374	\$ 2,062	88	193,009	\$ 2,193	8.82%	6.34%		
Export	0	0	N/A	0	0	N/A	N/A	N/A	N/A	N/A
<b>Total Wagers</b>		<b>1,461,734</b>	<b>N/A</b>		<b>1,979,994</b>	<b>N/A</b>	<b>35.46%</b>	<b>N/A</b>		
<b>Lone Star Park</b>										
Live	29	7,933,544	\$ 273,570	27	6,369,769	\$ 235,917	-19.71%	-13.76%		
Simulcast Same-Species	151	44,480,587	\$ 294,573	151	44,548,591	\$ 295,024	0.15%	0.15%		
Simulcast Cross-Species	151	3,132,873	\$ 20,748	151	2,762,893	\$ 18,297	-11.81%	-11.81%		
Export	29	18,675,909	\$ 643,997	27	15,914,550	\$ 589,428	-14.79%	-8.47%		
<b>Total Wagers</b>		<b>74,222,912</b>	<b>N/A</b>		<b>69,595,803</b>	<b>N/A</b>	<b>-6.23%</b>	<b>N/A</b>		
<b>Retama Park</b>										
Live	0	0	\$ -	0	0	N/A	N/A	N/A	N/A	N/A
Simulcast Same-Species	151	16,600,226	\$ 109,935	151	15,091,950	\$ 99,947	-9.09%	-9.09%		
Simulcast Cross-Species	151	3,033,835	\$ 20,092	151	4,012,152	\$ 26,571	32.25%	32.25%		
Export	0	0	\$ -	0	0	N/A	N/A	N/A	N/A	N/A
<b>Total Wagers</b>		<b>19,634,061</b>	<b>N/A</b>		<b>19,104,102</b>	<b>N/A</b>	<b>-2.70%</b>	<b>N/A</b>		
<b>Sam Houston Race Park</b>										
Live	56	5,850,750	\$ 104,478	57	5,800,483	\$ 101,763	-0.86%	-2.60%		
Simulcast Same-Species	151	28,374,691	\$ 187,912	151	25,994,458	\$ 172,149	-8.39%	-8.39%		
Simulcast Cross-Species	151	7,493,134	\$ 49,623	151	8,669,198	\$ 57,412	15.70%	15.70%		
Export	56	48,435,369	\$ 864,917	57	55,131,777	\$ 967,224	13.83%	11.83%		
<b>Total Wagers</b>		<b>90,153,944</b>	<b>N/A</b>		<b>95,595,916</b>	<b>N/A</b>	<b>6.04%</b>	<b>N/A</b>		
<b>All Horse Racetracks</b>										
Live	85	13,784,294	\$ 162,168	84	12,170,253	\$ 144,884	-11.71%	-10.66%		
Simulcast Same-Species	539	90,739,864	\$ 168,349	541	87,421,983	\$ 161,593	-3.66%	-4.01%		
Simulcast Cross-Species	539	13,837,215	\$ 25,672	541	15,637,252	\$ 28,904	13.01%	12.59%		
Export	85	67,111,278	\$ 789,544	84	71,046,327	\$ 845,790	5.86%	7.12%		
<b>Total Wagers</b>		<b>185,472,650</b>	<b>N/A</b>		<b>186,275,814</b>	<b>N/A</b>	<b>0.43%</b>	<b>N/A</b>		
<b>Total Wagers Placed in Texas</b>		<b>118,361,372</b>	<b>N/A</b>		<b>115,229,488</b>	<b>N/A</b>	<b>-2.65%</b>	<b>N/A</b>		
<b>Total Wagers Placed on Texas Races</b>		<b>80,895,572</b>	<b>N/A</b>		<b>83,216,580</b>	<b>N/A</b>	<b>2.87%</b>	<b>N/A</b>		



**Texas Racing Commission**  
 Report on Racetrack Inspection Activities  
 June 9, 2015

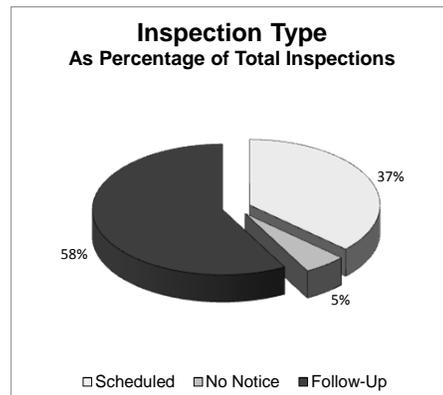
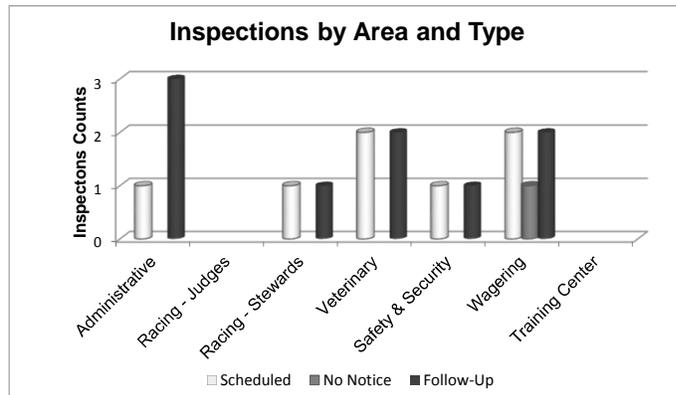
Summary of Inspections Performed For the Period of April 1, 2015 through May 31, 2015					
Track	Area of Inspection	Date of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
Lone Star Park	Veterinarian	4/1/2015	1		
	Security	4/7/2015	1		
	Racing	4/9/2015	2		
	Administrative	4/17/2015	0	1 (Follow Up from 9/12/14)	0
	Veterinarian	4/19/2015	0	1 (Follow Up from 4/1/15)	0
	Racing	4/23/2015	0	2 (Follow Up from 4/9/15)	0
	Security	5/1/2015	0	1 (Follow Up from 4/7/15)	0
Sam Houston Race Park	Wagering	4/24/2015	0	1 (Follow Up from 3/23/15)	0
	Administrative	4/24/2015	0	1 (Follow Up from 1/9/15)	0
	Veterinarian	5/15/2015	0		
	Wagering	5/22/2015	0		
Retama Park	Wagering	4/20/2015	0	1 (Follow Up from 8/29/14)	0
	Administrative	4/20/2015	0	4 (Follow Up from 3/21/15)	0
	Wagering	5/29/2015	0		
Gillespie Race Barn	Wagering	5/8/2015	0		
	Administrative	5/8/2015	0		
Gulf Greyhound Park	Veterinarian	4/1/2015	0	2 (Follow Up from 2/4/15)	0
Valley Greyhound Park	Administrative	5/1/2015	0	1 (Follow Up from 12/4/14)	0
Gulf Coast Racing	Veterinarian	4/1/2015	0	2 (Follow Up from 2/4/15)	0

NOTE: The problem affecting all the racetracks - in unique situations the ATM would dispense cash from a credit card - has been resolved. The ATM provider installed code that now correctly recognizes in all cases whether the cash is being withdrawn from an authorized checking account.

Inspection Counts by Area and Type				
Area of Inspection	Scheduled	No Notice	Follow-Up	Totals
Administrative	1		5	6
Racing - Judges				
Racing - Stewards	1		1	2
Veterinary	2		2	4
Safety & Security	1		1	2
Wagering	2	1	2	5
Training Center				
<b>TOTAL INSPECTIONS</b>	<b>7</b>	<b>1</b>	<b>11</b>	<b>19</b>

**Important Notes Regarding Inspections at Racetracks:**

- 1) Scheduled inspections typically occur before the beginning of each race meet. No Notice inspections typically are planned to occur during the middle of a meet, but may occur at any time.
- 2) Follow-Up inspections are performed when a Scheduled or No Notice inspection identifies an unsatisfactory item. The Follow-Up inspection is performed after the association has had an opportunity to remedy any unsatisfactory item initially reported.



**REGULATORY ACTIVITIES**  
**SHRP QH Meet & Gulf Greyhound Park YTD**  
**March 11, 2015 through June 1, 2015**

*During this period there were three (3) racetracks conducting live meets, Sam Houston Race Park, Lone Star Park, and Gulf Greyhound Park. In addition, simulcast operations continued at Retama Park, the Race Barn in Fredericksburg, Valley Race Park, and Gulf Coast Racing.*

**Sam Houston Race Park** – The 24 day Quarter Horse meet ran from March 27 through May 16. Regulatory activities during the Quarter Horse meet included:

Class 1 and 2 Drug Positives	2
Class 3 and 4 Drug Positives	4
Class 5 and Overages of Permitted Medications	5
Ruling Activity	31 rulings for various trainer infractions, human drug and alcohol violations, medication violations, contraband and licensing infractions.
Outstanding Inspection Items	Additional floor mats in the jockey room will be required before the opening of the Thoroughbred meet in January of 2016.

**Lone Star Park** – The 50 day Thoroughbred Horse meet began on April 9 and runs through July 19. An overview of the meet’s activities will be included in the next Commission meeting’s report.

**Retama Park** – The 20 day Quarter Horse meet begins on June 5 and runs through August 20.

**Gulf Greyhound Park** – continues both live and simulcast operations.

Animal Drug Positives	0
Ruling Activity	12 rulings for several greyhound weight infractions, human drug violations, licensing, and conduct violations.
Outstanding Inspection Items	None



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

To: Chuck Trout, Executive Director

From: Joel Speight, Deputy Executive Director 

Date: June 2, 2015

Re: Totalisator Contract between Gillespie County Fair and United Tote

Attached to this memorandum is a Tote Services Agreement between Gillespie County Fair and United Tote Company. Gillespie County Fair has requested that the Commission review and approve the agreement at its meeting on June 9, 2015. If approved, the new agreement will become effective as of February 1, 2015.

Staff has completed a review of the agreement and finds it to be in compliance with the Texas Racing Act and the Texas Rules of Racing.

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

cc: Curley Trahan, Compliance Auditor



April 9, 2015

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

Dear Mr. Trout:

The G.C.F.F.A. Board of Directors respectfully requests that the Commission consider approving the previously emailed tote services agreement, between United Tote Company and Gillespie County Fair & Festivals Association, Inc., at its next regularly scheduled meeting in June. This will replace the agreement currently in place with the same provider.

Thank you for consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lee DeLong', is positioned above the printed name.

Lee DeLong  
General Manager-Racing

**Gillespie County Fair & Festivals Association, Inc.**

530 Fair Drive - State Highway 16 South    P.O. Box 526    Fredericksburg, Texas 78624  
Phone: 830 997 2359    Fax: 830 997 4923    [www.gillespiefair.com](http://www.gillespiefair.com)    [info@gillespiefair.com](mailto:info@gillespiefair.com)

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 4/23/2015

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

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

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

**Contact Information:**

Name:	Staff – Legal	Phone(s):	281-807-8747
E-mail address:	mark.fenner@txrc.texas.gov	Fax number:	281-807-8777
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of \_\_\_\_\_  
(Name of Organization)

Proposed Change to (if known): Chapter: 309 Rule: 8

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

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

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

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

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

Statutory Authority for Proposed Change: TRA §§ 5.01, 6.18

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

Currently, racetrack license holders pay annual fees on one of two schedules.

- The annual fee for license holders that are currently operating, i.e. conducting live racing or simulcasting, is prorated on a monthly basis, so that each license holder pays one-twelfth of the fee at the beginning of each month.
- The annual fee for license holders that are not currently operating is due in full on September 1 of each year.

This system was designed to ensure that the agency will have sufficient cash flow at the beginning of each fiscal year to meet its expenses, particularly if the State sweeps excess funds from the Commission's operating account at the end of a biennium. However, it does place a burden on the non-operating license holders to provide a large upfront payment each year.

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

Allowing quarterly payments to be made by non-operating license holders during the fiscal year could relieve some of the strain caused by paying the annual fee up front each year, while still meeting the needs of the Commission to ensure that there is sufficient cash flow to meet its operating needs.

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

A practical solution to the problem imposed by a large license fee due in full at the beginning of each fiscal year is to spread the fee out over a payment schedule during the fiscal year. For example, quarterly payments could help smooth cash flow for non-operating racetrack license holders. Quarterly payments made at the beginning of each quarter would also ensure the Commission receives funds in a timely manner to cover associated costs over the next three months.

## **D. Support or Opposition**

This proposal was originally submitted by Laredo Race Park, which claimed the support of all inactive racetrack license holders. However, at the Rules Committee Meeting on May 8, 2015, Laredo Race Park withdrew its support for the proposal after staff integrated the repeal of historical racing into the proposal. Staff has now separated the fee issue and the historical racing issue into two separate agenda items for the Commission to consider.

## **E. Proposal**

See next page.

CHAPTER 309. RACETRACK LICENSES AND OPERATIONS

SUBCHAPTER A. RACETRACK LICENSES

DIVISION 1. GENERAL PROVISIONS

1 **Sec. 309.8. Racetrack License Fees**

2 (a) (No change.)

3 (b) Annual License Fee.

4 (1) (No change.)

5 (2) An association that is conducting live racing,  
6 historical racing or simulcasting shall pay its annual license  
7 fee by remitting to the Commission 1/12th of the fee on the  
8 first business day of each month. [~~For the State Fiscal Year~~  
9 ~~that begins on September 1, 2011, the monthly remittance shall~~  
10 ~~begin in the month of January.~~]

11 (3) An association that is not conducting live racing,  
12 historical racing or simulcasting shall pay its annual license  
13 fee in four equal installments on September 1, December 1, March  
14 1, and June 1 [~~on September 1~~] of each fiscal year. [~~For the~~  
15 ~~State Fiscal Year that begins on September 1, 2011, the annual~~  
16 ~~license fees shall be paid in two separate payments. The first~~  
17 ~~payment will be of \$100,000 and is due on September 1, 2011. The~~  
18 ~~second payment will be of the remaining unpaid balance and shall~~  
19 ~~be paid on January 1, 2012.~~]

20 (c) (No change.)

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 3/31/2015

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

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

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

**Contact Information:**

Name:	Maury Korn	Phone(s):	956-364-7200
E-mail address:		Fax number:	956-428-0163
Mailing address:	2601 S. Ed Carey Dr., Harlingen, Texas 78552		

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Valley Race Park  
(Name of Organization)

Proposed Change to (if known): Chapter: 303 Rule: 102

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

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

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

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

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

Statutory Authority for Proposed Change: Section 6.09(d)

## A. Brief Description of the Issue

Formalize current treatment of greyhound breakage.

## B. Discussion of the Issue and Problem

Section 6.09(d) of the Racing Act only explicitly addresses how 50% of the breakage from a greyhound race is to be allocated, and is silent on the remaining 50%. Under existing Commission practice, the remaining 50% is retained by the association. However, this treatment is not explicit in any existing Commission rule. Making this practice explicit in the Commission rules will give greyhound tracks additional certainty as to how breakage should be allocated.

## C. Possible Solutions and Impact

VRP would propose to adopt a new rule clarifying how the 50% of greyhound breakage that is not explicitly addressed by the statute should be allocated.

## D. Support or Opposition

Greyhound associations generally support the bill because it gives them additional certainty that current practices for allocating greyhound breakage are appropriate and authorized. VRP does not expect any opposition given that the rule does not change the status quo, it just formalizes this practice in the rules. VRP has conferred with the Texas Greyhound Association (TGA) and it is not opposed to the requested change.

## E. Proposal

### **Section 303.102. Greyhound Rules.**

...

#### **(c) Breakage and Stakes Races.**

(1) Pursuant to the Act, §6.09(d) and Tex. AG. Op. No. DM-211, an association shall retain fifty percent of the breakage from greyhound racing, and TGA shall receive the other fifty percent. TGA shall pay one-half of the breakage it receives as additional purse money for stakes races restricted to Texas-bred greyhounds. All registered Texas-bred greyhounds are eligible to participate in a Texas-bred restricted stakes race, subject to the conditions of the race.

(2) TGA shall develop the conditions of each Texas-bred restricted stakes race in cooperation with the racetrack at which the race will be conducted. The conditions of the race are subject to the approval of the executive secretary.

(3) TGA shall pay the allotted additional purse money for the race to the racetrack at which the race will be conducted. The racetrack shall hold the additional purse money received from TGA until the executive secretary advises the association that the race has been cleared for payment.

CHAPTER 309. RACETRACK LICENSES AND OPERATIONS

SUBCHAPTER D. GREYHOUND RACETRACKS

DIVISION 2. OPERATIONS

1 (Alternative Proposal by Legal Staff)

2 **Sec. 309.365. Breakage**

3 A greyhound racing association shall pay fifty percent of the  
4 breakage from a live pari-mutuel pool or a simulcast pari-mutuel  
5 pool to the Texas Greyhound Association in accordance with §6.09  
6 of the Act and §303.102(c) of this title (relating to Greyhound  
7 Rules). A greyhound racing association shall retain the  
8 remaining fifty percent of the breakage from a live pari-mutuel  
9 pool or a simulcast pari-mutuel pool.

**TÉXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 05/15/15

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

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

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

**Contact Information:**

Name:	Michael Pelletier	Phone(s):	361-728-8675
E-mail address:	<a href="mailto:Mike.pelletier@txrc.texas.gov">Mike.pelletier@txrc.texas.gov</a>	Fax number:	409-986-9134
Mailing address:	Gulf Greyhound Park PO Box 488 La Marque, TX 77568-0488		

Check appropriate box(es):

- Personal Submission *OR*
- Submission on Behalf of Board of Judges Gulf Greyhound Park  
(Name of Organization)

- Proposed Change to (if known): Chapter: 315 Rule: 315.111
- Proposed Addition to (if known): Chapter: \_\_\_\_\_ Rule: \_\_\_\_\_

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

Statutory Authority for Proposed Change: \_\_\_\_\_

**A. Brief Description of the Issue**

In subsection(b) the rule now says that an official schooling race must be at a distance not less than the distance nearest to 5/16 of a mile in use at the racetrack. We have been running official races over the 330yd distance for almost two years.

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

When a greyhound grades off or goes off for bad lines in 330yd races it must school at a distance that it is not conditioned to run. It has become very difficult for these greyhounds to requalify. If a greyhound runs most of its races over the 330yd distance it is usually because it can not run a 550yd race.

**C. Possible Solutions and Impact**

If allowed to school at the 330yd distance the greyhound would be running at a distance it can handle and get back on the active list thus helping improve the number of racers at the track and would help the owners who send greyhounds here to run this course.

**D. Support or Opposition**

The General Manager of Gulf Greyhound Park along with The Director of Racing and the Racing Secretary as well as several trainers and kennel owners support this rule change. No opposition to it has been expressed.

**E. Proposal**

Simply change the current language to say an official schooling race must be at a distance not less than the distance nearest the 3/16 mile course in use at the racetrack.

CHAPTER 315. OFFICIALS AND RULES FOR GREYHOUND RACING

SUBCHAPTER B. ENTRIES AND PRE-RACE PROCEDURES

1 **Sec. 315.111. Schooling**

2 (a) (No change.)

3 (b) All schooling races shall be at a distance not less than  
4 three-sixteenths of a mile unless otherwise approved by the  
5 judges. ~~A scratch that occurs as a result of a violation of a~~  
6 ~~racing rule carries a penalty and/or suspension of the greyhound~~  
7 ~~for six race days. The racing judges shall review the cause for~~  
8 ~~a scratch and may take disciplinary action. If a greyhound is~~  
9 ~~scratched because the owner or trainer of the greyhound fails to~~  
10 ~~have the greyhound at the track at the appointed time for~~  
11 ~~weighing in, the racing judges may take disciplinary action~~  
12 ~~against the person responsible.~~

13 (c)-(g) (No change.)

### **ARCI-017-020 Schooling**

- (1) Greyhounds must be properly schooled in the presence of the judges and must, in the opinion of the judges, be sufficiently experienced before they can be entered or started.
- (2) All schooling races shall be at a distance not less than three-sixteenths of a mile unless otherwise approved by the judges.
- (3) Greyhounds which transfer from one racetrack to another, from the same state or jurisdiction need not be officially schooled to qualify if they have raced within ten racing days.
- (4) An official schooling race will ideally feature at least six greyhounds. A minimum of two runners must start.
- (5) No hand schooling will be considered official.
- (6) Any greyhound that has not raced for a period of ten or more racing days must be officially schooled at least once before being eligible for entry. Any greyhound that has not raced for a period of 30 calendar days must be officially schooled before being eligible for entry. The racing jurisdiction's condition book will specify if the greyhound must be schooled more than once.
- (7) All greyhounds in official schooling races must be raced at their established racing weight and started from the box wearing blankets and racing muzzles.
- (8) Any licensed kennel operator, trainer or authorized agent, who permits greyhounds to be schooled on any racetrack in (jurisdiction) or elsewhere, not approved by the Commission, shall be subject to the immediate revocation of his/her license.
- (9) Any greyhound may be ordered on the schooling list for stated reason by the judges at any time. Any greyhound ordered on the schooling list by the judges must be schooled officially and satisfactorily, in the opinion of the judges, before being allowed to enter a race.
- (10) A photo-finish camera in good working order and approved by the Commission, shall be utilized at all official schooling races.

Adopted in Version 1.4 ARCI 8/27/02 NAPRA 10/2/02  
Version 4.5 to 4.6 ARCI Board 7/31/09 amended language

### **ARCI-017-025 Grading**

- (1) The Commission shall approve a grading system to be utilized during the race meeting. When designating the grades of races, letters such as "A", "B", "C", "D", "E", "S", "T", and "M" or some combination thereof will be used. Grad A shall be the highest classification. Grade S indicates special and stakes races. A grade such as T or ST shall indicate a mixed-grade race. Grade M refers to maide classification which indicates greyhounds that have not won an official race.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: May 11, 2015

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

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

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

**Contact Information:**

Name:	Staff - Legal	Phone(s):	(512) 833-6699
E-mail address:	mark.fenner@txrc.texas.gov	Fax number:	(512) 833-6907
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

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

Proposed Change to (if known): Chapter: 319 Rule: 1

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

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

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

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

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

Statutory Authority for Proposed Change: TRA §§ 3.02, 3.16

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

As drug testing technologies and skills have improved, racing laboratories have developed the ability to detect when otherwise naturally occurring substances have been administered to race animals in an attempt to influence the outcome of a race. The ARCI model rules have been amended to address this issue, but the Texas rules have not yet been so amended.

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

The significance of this issue has been raised recently by the discovery of high levels of cobalt in race horses. Cobalt is a mineral that is essential in all mammals, and is normally ingested as part of Vitamin B12. Administration of bulk cobalt salts to humans and other species has been demonstrated to increase red blood cell production. While there are no published studies available that indicate the plasma concentration of cobalt that produces either an effective or a toxic dose in a horse, there are reportedly cases at the Meadowlands and in Australia where tests have shown high levels of cobalt in horses.

ARCI's Scientific Advisory Group of the Drug Testing Standards and Practices Committee issued a report on cobalt in April 2015. The committee recommended that trainers of horses with a plasma cobalt concentration greater than 25 ppb, but less than 50 ppb, be issued a warning and have the horse placed on the vet's list until the level falls below 25 ppb. The committee recommended that trainers of horses with a plasma cobalt concentration greater than 50 ppb be given a Class B penalty.

Unfortunately, the Commission's rules do not currently include artificially high levels of naturally occurring substances as a "prohibited drug, chemical or other substance." Therefore, it would be difficult to prosecute a trainer for high levels of cobalt or any other natural substance.

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

ARCI's model rules have been amended to include "Substances present in the horse in excess of concentrations at which such substances could occur naturally" as a prohibited substance. The attached proposal would amend Rule 319.1 to include the same language.

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

The proposal was discussed at the Rules Committee Meeting on May 28, 2015, and no attendee expressed opposition.

### **E. Proposal**

See next page.

CHAPTER 319. VETERINARY PRACTICES AND DRUG TESTING

SUBCHAPTER A. GENERAL PROVISIONS

1 **Sec. 319.1. Purpose and Definitions**

2 (a) (No change.)

3 (b) For purposes of this chapter, "prohibited drugs, chemicals,  
4 or other substances" means:

5 (1) any stimulants, depressants, tranquilizers, local  
6 anesthetics, drugs, other drug metabolites which could affect  
7 the health or performance of a race animal, however minimal,  
8 except as expressly permitted by this chapter;

9 (2) a drug permitted by this chapter in excess of the  
10 maximum or other restrictions in this chapter; [~~and~~]

11 (3) a substance present in the race animal in excess of a  
12 concentration at which such a substance could occur naturally;  
13 and

14 (4) [~~(3)~~] a drug or substance, regardless of how harmless or  
15 innocuous it might be, which interferes with the detection of  
16 stimulants, depressants, tranquilizers, local anesthetics,  
17 drugs, or drug metabolites which could affect the health or  
18 performance of a race animal, however minimal, or quantitation  
19 of drugs permitted by this chapter.

20

Commission review of the trainer's cumulative points and regulatory record, which may be considered an aggravating factor in a case.

- (j) Any trainer who has received a medication violation may petition the ARCI to expunge the points received for the violation for the purpose of the MMV system only. The points shall be expunged by the ARCI or upon request of the trainer as follows:

Penalty Classification	Time to Expungement
A	Permanent
B	3 years
C	2 years
D	1 year

**C. Medication Restrictions**

- (1) A finding by the commission approved laboratory of a prohibited drug, chemical or other substance in a test specimen of a horse is prima facie evidence that the prohibited drug, chemical or other substance was administered to the horse and, in the case of a post-race test, was present in the horse's body while it was participating in a race. **Prohibited substances include:**
  - (a) Drugs or medications for which no acceptable threshold concentration has been established;
  - (b) Controlled therapeutic medications in excess of established threshold concentrations or administration within the restricted time period as set forth in the ARCI Controlled Therapeutic Medication Schedule, Version \_\_\_\_\_;
  - (c) **Substances present in the horse in excess of concentrations at which such substances could occur naturally; and**
  - (d) Substances foreign to a horse at concentrations that cause interference with testing procedures.
- (2) Except as otherwise provided by this chapter, a person may not administer or cause to be administered by any means to a horse a prohibited drug, medication, chemical or other substance, including any restricted medication pursuant to this chapter during the 24-hour period before post time for the race in which the horse is entered.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 06/01/2015

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

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

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

**Contact Information:**

Name:	Staff - Racing	Phone(s):	512-833-6699
E-mail address:	cathy.cantrell@txrc.texas.gov	Fax number:	512-833-6907
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

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

Proposed Change to (if known): Chapter: 311 Rule: 216

Proposed Addition to (if known): Chapter: 311 Rule: 218

Chapter: 313 Rule: 405

Chapter: 313 Rule: 406

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

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

Statutory Authority for Proposed Change: TRA § 3.02

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

The Texas Rules require that anyone on association grounds who is mounted on a horse or who is holding a horse in a starting date must wear an A.S.T.M. safety helmet. The Texas Rules also require a jockey in a race to wear a vest “designed to provide shock absorbing protection to the upper body of at least a rating of five, as defined by the British Equestrian Trade Association.” However, these rules have not been amended in at least ten years and are no longer consistent with ARCI’s model rules.

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

ARCI’s model rules recognize alternative safety standards in addition to those of A.S.T.M. Many licensees from other states have safety equipment that meets these other standards, yet if the Commission strictly applies its own rules to these licensees, they would have to purchase new A.S.T.M. equipment that may or may not be as safe as the ARCI-compliant equipment they already own.

In addition, the model rules establish safety standards for reins and require those holding horses in a starting gate to wear safety vests. The Texas Rules do not address either of these issues.

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

This proposal would create new Rule 211.218, Safety Equipment, which directly tracks the language of the model rule on safety helmets and vests in ARCI-008-010. The proposal would also amend existing references to safety equipment in the Texas Rules so that they refer the reader back to new Rule 211.218. The proposal does not address safety reins.

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

Commission is not aware of any opposition. The Jockeys’ Guild has written a letter in support of adopting ARCI’s rules that relate to the safety and welfare of the equine and human athletes.

### **E. Proposal**

See next pages.

CHAPTER 311. OTHER LICENSES

SUBCHAPTER C. RESPONSIBILITIES OF INDIVIDUALS

1 **311.216. Conduct in Stable Area**

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

3 (c) A licensee who is mounted on a horse or stable pony on  
4 association grounds must wear a [~~an A.S.T.M. approved~~] safety  
5 helmet meeting the requirements of §311.218 of this title  
6 (Relating to Safety Equipment) at all times.

7 (d) A licensee may not hold a horse in a starting gate unless  
8 the licensee wears a properly fastened safety helmet meeting the  
9 requirements of §311.218 of this title (Relating to Safety  
10 Equipment.) [~~approved by A.S.T.M.~~]

11 (e) (No change.)

CHAPTER 311. OTHER LICENSES

SUBCHAPTER C. RESPONSIBILITIES OF INDIVIDUALS

1 Sec. 311.218. Safety Equipment

2 (a) Helmets. Any licensee mounted on a horse or stable pony on  
3 association grounds must wear a properly secured safety helmet at  
4 all times. Additionally, all members of the starting gate crew  
5 must adhere to this regulation at all times while performing  
6 their duties or handling a horse. For the purpose of this  
7 regulation, a member of the starting crew means any person  
8 licensed as an assistant starter or any licensee who handles a  
9 horse in the starting gate. The helmet must comply with one of  
10 the following minimum safety standards or later revisions:  
11 American Society for Testing and Materials (ASTM 1163); UK  
12 Standards (EN-1384 and PAS-015); or, Australian/New Zealand  
13 Standard (AS/NZ 3838).

14 (b) Vests. Any licensee mounted on a horse or stable pony on the  
15 association grounds must wear a properly-secured safety vest at  
16 all times. Additionally, all members of the starting gate crew  
17 must also adhere to this regulation at all times while performing  
18 their duties or handling a horse. For the purpose of this  
19 regulation, a member of the starting gate crew means any person  
20 licensed as an assistant starter or any licensee who handles a  
21 horse at the starting gate. The safety vest must comply with one  
22 of the following minimum standards or later revisions:

23 (1) British Equestrian Trade Association (BETA):2000 Level 1

24 (2) Euro Norm (EN) 13158:2000 Level 1

25 (3) American Society for Testing and Materials (ASTM) F2681-  
26 08 or F1937.

27 (4) Shoe and Allied Trade Research Association (SATRA)  
28 Jockey Vest Document M6 Issue 3

29 (5) Australian Racing Board (ARB) Standard 1.1998

30 (c) A safety helmet or a safety vest shall not be altered in any  
31 manner nor shall the product marking be removed or defaced.

32

CHAPTER 313. OFFICIALS AND RULES OF HORSE RACING

SUBCHAPTER D. RUNNING OF THE RACE

DIVISION 1. JOCKEYS

Sec. 313.405. Whips and Other Equipment

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

(e) A jockey may not ride in a race unless the jockey wears a safety vest meeting the requirements of §311.218 of this title (Relating to Safety Equipment.) A safety vest may weigh no more than two pounds ~~and must be designed to provide shock absorbing protection to the upper body of at least a rating of five, as defined by the British Equestrian Trade Association.~~

CHAPTER 313. OFFICIALS AND RULES OF HORSE RACING

SUBCHAPTER D. RUNNING OF THE RACE

DIVISION 1. JOCKEYS

Sec. 313.406. Colors and Number

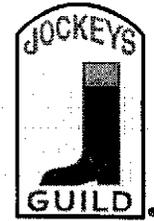
(a) (No change.)

(b) The jockey for a horse starting in a race shall be properly attired for riding in the race and wear:

(1) the racing colors provided by the owner of the horse the jockey is to ride, plus white riding pants, boots, and a number on the right shoulder corresponding to the mount's number as shown on the saddle cloth, head number if provided, and in the official program; and

(2) a [an A.S.T.M. approved] safety helmet meeting the requirements of §311.218 of this title (Relating to Safety Equipment.) [~~while mounted on any horse at a licensed racetrack.~~]

(c) (No change.)



May 7, 2015

Mr. Chuck Trout  
Texas Racing Commission  
P.O. Box 12080  
Austin, TX 78711

*Sent via email*

Dear Mr. Trout,

Please accept this letter, along with the presentation by Mindy Coleman on behalf of the Jockeys' Guild during the Texas Racing Commission meeting of February 27, 2014 and the information that was previously submitted, on behalf of the Jockeys' Guild and jockeys who regularly ride in Texas, pertaining to the adoption of language in the ARCI model rules.

Based on the language that was presented, the Guild respectfully requests the changes we have enclosed herein, which incorporates the ARCI Model Rules language pertaining to Jockeys, Apprentice Jockeys and the approved safety equipment as referenced in the proposed language. We are specifically addressing the adoption of the language pertaining to the standards for the helmets and vests that are allowed to be worn.

Currently the Texas rule only allows for the ASTM helmet and the British Equestrian Trade Association (BETA 5) vest. The ARCI model rule allows for additional approved helmets and vests. By expanding the rule to allow helmets and vests that are more protective will help ensure riders will have plenty of options for purchase and be allowed to use helmets and vests that are safer than the minimum standards, many of which incorporate new technology that offers better protection to the head and spinal cord. The options should be expanded and afforded to those that choose to wear the best and newest in protective gear.

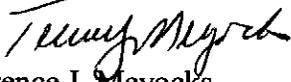
In addition to the safety equipment, we also have a concern about the following items: properly equipped ambulances with paramedics and medical procedures; Eligibility standards of the Jockeys and Apprentice Jockeys; Physical inspection of a horse including pre-race veterinarian inspections; the Weighing Out and Weighing In procedures; as well as the notice to the betting public about the safety equipment and the allowance for inclement weather gear. For purposes of comparison, I have attached the current Texas rules along with the language of the ARCI Model Rules.

We would respectfully request the adoption of the all of the ARCI Model Rules regarding all aspects of general rules and flat racing that pertain to the safety and welfare of the equine and human athletes. We feel that the safety of both our human and equine athletes should be paramount at all times, and the ARCI Model Rules focus on those issues. Obtaining uniform rules in all racing jurisdictions is something we have been working on with many others in the industry. We think adoption of the model rules is the easiest and proper way to achieve it.

Furthermore, the Guild strongly believes that the adoption of the ARCI models and the uniformity of regulations is in the best interest of racing, not only for the safety of its participants, both human and equine, but also for the integrity of our sport. These above mentioned rule changes will also benefit the racetracks, owners, trainers, and patrons at the track by improving the safety for the horse and jockeys

We would like to work with the Texas Racing Commission to get as many, if not all, of the model rules adopted. The Guild sincerely appreciates the Commission's consideration regarding these issues. If there are any additional questions or concerns that we can address, please feel free to contact myself or Mindy Coleman in the Guild office at (859) 523-5625 or John Beech at (512) 826-3344.

Sincerely,



Terence J. Meyocks  
National Manager

Attachment

Cc: Joel Speight, Texas Racing Commission, Deputy Executive Director  
Fred Winch, Texas Racing Commission, Chief State Steward  
Ricky Walker, Texas Racing Commission  
John Beech, Jockeys' Guild, Regional Manager  
Mindy L. Coleman, Jockeys' Guild, Counsel

## **SAFETY EQUIPMENT**

### **16 ex. Admin. Code §313.405. Whips and Other Equipment.**

(e) A jockey may not ride in a race unless the jockey wears a safety vest. A safety vest may weigh no more than two pounds and must be designed to provide shock absorbing protection to the upper body of at least a rating of five, as defined by the British Equestrian Trade Association.

### **16 ex. Admin. Code §313.406. Colors and Number.**

(b) The jockey for a horse starting in a race shall be properly attired for riding in the race and wear:  
(2) an A.S.T.M. approved safety helmet while mounted on any horse at a licensed racetrack.

## **ARCI MODEL RULE**

### **FLAT RACING LICENSING AND DUTIES OF LICENSEES - CHAPTER 8**

#### ***ARCI-008-010 General Provisions***

#### **Z. Safety Equipment**

##### **(1) Helmets**

Any person mounted on a horse or stable pony on association grounds must wear a properly secured safety helmet at all times. Additionally, all members of the starting gate crew must adhere to this regulation at all times while performing their duties or handling a horse. For the purpose of this regulation, a member of the starting crew means any person licensed as an assistant starter or any person who handles a horse in the starting gate. The helmet must comply with one of the following minimum safety standards or later revisions: American Society for Testing and Materials (ASTM 1163); UK Standards (EN-1384 and PAS-015); or, Australian/New Zealand Standard (AS/NZ 3838).

##### **(2) Vests**

Any person mounted on a horse or stable pony on the association grounds must wear a properly-secured safety vest at all times. Additionally, all members of the starting gate crew must also adhere to this regulation at all times while performing their duties or handling a horse. For the purpose of this regulation, a member of the starting gate crew means any person licensed as an assistant starter or any person who handles a horse at the starting gate. The safety vest must comply with one of the following minimum standards or later revisions:

(a) British Equestrian Trade Association (BETA):2000 Level 1

(b) Euro Norm (EN) 13158:2000 Level 1

(c) American Society for Testing and Materials (ASTM) F2681-08 or F1937.

(d) Shoe and Allied Trade Research Association (SATRA) Jockey Vest Document M6 Issue 3

(e) Australian Racing Board (ARB) Standard 1.1998

(3) A safety helmet or a safety vest shall not be altered in any manner nor shall the product marking be removed or defaced.

##### **(4) Reins**

All horses with a jockey or exercise rider mounted that are racing, parading or warming up prior to racing; or jogging or exercising at any time must be equipped with a type of safety reins approved by

the commission. Reins to be approved must be originally designed and constructed to provide a secure secondary attachment to the bit that is secured to a reinforcement material to prevent failure due to breakage of the rein, or breakage or inadvertent loss of the primary connection to the bit.

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

Version 3.1 to 3.2 ARCI 12/9/04 NAPRA 12/9/04: Amended new rule and language added

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

~~Version 4.3 to 4.4 ARCI 12/10/08: Updated helmet standards~~

Version 4.4 to 4.5 ARCI 4/23/09 Amended language Relationships with Inactive Persons Prohibited

~~Version 4.5 to 4.6 ARCI 7/31/09 Amended language Safety Vest Standards~~

~~Version 4.8 to 4.9 ARCI Board 7/27/11 Added language prohibiting altering safety helmets and vests~~

~~Version 5.1 to 5.2 ARCI Board 7/25/12 Added language regarding Gate crew to Helmets and amended language for safety vests~~

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 06/01/2015

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

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

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

**Contact Information:**

Name:	Staff - Racing	Phone(s):	512-833-6699
E-mail address:	cathy.cantrell@txrc.texas.gov	Fax number:	512-833-6907
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

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

Proposed Change to (if known): Chapter: 313 Rule: 406

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

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

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

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

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

Statutory Authority for Proposed Change: TRA § 3.02

**A. Brief Description of the Issue**

The current rule provides that Quarter Horses, Paints, and Appaloosas shall wear head numbers that correspond to their numbers in the official program, but provides only that Thoroughbreds and Arabians may wear such head numbers.

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

On occasions, a head number will fall off during the post parade due to equipment failure and the association will not have a ready supply of extras. On other occasions, a particular horse may have a strong aversion to wearing a head number. On these occasions, the stewards do not have the authority to waive the head number requirement for Quarter Horses, Paints, and Appaloosas.

**C. Possible Solutions and Impact**

The proposed change would provide the stewards with the authority to waive the head number requirement in the case of equipment failure, missing equipment, or in the interest of safety.

**D. Support or Opposition**

The proposal was discussed at the Rules Committee Meeting on May 28, 2015, and no attendee expressed opposition.

**E. Proposal**

See next page.

CHAPTER 313. OFFICIALS AND RULES OF HORSE RACING

SUBCHAPTER D. RUNNING OF THE RACE

DIVISION 1. JOCKEYS

1 **Sec. 313.406. Colors and Number**

2 (a) A horse starting in a race must carry a conspicuous saddle  
3 cloth number corresponding to its number in the official  
4 program. Quarter Horses, Paints, and Appaloosas shall, and  
5 Thoroughbreds and Arabians may, wear head numbers that  
6 correspond to their numbers in the official program. The  
7 Stewards may waive the requirement for a horse to wear a head  
8 number in the interest of safety or in the case of missing or  
9 damaged equipment.

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

**TEXAS RACING COMMISSION  
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E-mail address:	cathy.cantrell@txrc.texas.gov	Fax number:	512-833-6907
Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

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

Proposed Change to (if known): Chapter: 311 Rule: 101

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

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

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

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

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

Statutory Authority for Proposed Change: TRA §§ 3.02, 7.02

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

### ***Owner/Trainer Issue***

To be licensed as an Owner, Owner/Trainer, or Owner/Assistant Trainer, a person must be the owner of record of a properly registered horse that the person intends to race in Texas. This restriction does not take into consideration that trainers and assistant trainers often buy and sell horses over the timeframe of licensure and therefore may not own a horse at the time of applying for a license or for some period of time while the license is active.

### ***Emergency License Issue***

If an owner is unable to complete an application for an owner's license because of absence or illness, the licensed trainer may apply for an emergency license on behalf of the absent owner. Currently the trainer must submit at least the following information: the owner's full name, home or business address, telephone number, and social security number. Sometimes the trainer cannot get in touch with the owner to obtain the social security number and sometimes the owner is reluctant to provide this personal information to the trainer.

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

### ***Owner/Trainer Issue***

The rule restricts owners' licenses to those who actually own a race horse in order to prevent individuals from obtaining an Owner's license in order to improperly gain its associated privileges, such as unrestricted access to the backside. Associations sometimes offer additional benefits to those holding an owner's license such as free admission, free parking, designated seating areas, and other optional perks.

Under the current rule, when the applicant for an Owner/Trainer type license cannot show proof of horse ownership, the agency issues a Trainer's license only rather than an Owner/Trainer. Then, if and when the Trainer/Assistant Trainer becomes an owner of a properly registered horse, he/she must reapply for an Owner/Trainer license, and again pay the license fee. This can result in paying the \$100 license fee twice over the same timeframe.

### ***Emergency License Issue***

Aware of the tremendous increase in identity theft, staff has determined that the social security number is not crucial to the issuance of the emergency license, especially since the owner must provide all of the required licensing information, including the social security number, within 21 days of issuance of the emergency license.

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

### ***Owner/Trainer Issue***

Allow an applicant for a Trainer's or Assistant Trainer's license to also obtain an Owner's license if the person states an intention to own horses during the term of the license. Since trainers and assistant trainers must meet a higher standard for licensure than an owner and already have the privileges offered to owners, the proposed change does not compromise the purpose of requiring owners to demonstrate actual horse ownership. The proposed revision will also simplify the licensing process for trainers and assistant trainers and avoid imposing unnecessary expenses on them.

### ***Emergency License Issue***

The proposed rule amendment would allow the emergency licensing process to proceed without the social security number. Allowing the owner to provide the social security number directly to the Commission instead of asking the trainer to relay it as part of the emergency licensing process would also reduce the possibility that the owner's personally identifying information would be compromised.

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

The two issues were discussed at the Rules Committee Meeting on May 28, 2015, and no attendee expressed opposition.

### **E. Proposal**

See next page.

**CHAPTER 311. OTHER LICENSES**

**SUBCHAPTER B. SPECIFIC LICENSES**

1 **Sec. 311.101. Horse Owners**

2 (a) General Provisions.

3 (1) The owner of a horse, as listed on the animal's  
4 registration paper, must obtain an owner's license from the  
5 Commission. Except as otherwise provided by §313.301(a)(2) of  
6 this title (relating to Officials and Rules of Horse Racing), a  
7 person may not be licensed as an owner if the person is not the  
8 owner of record of a properly registered horse that the person  
9 intends to race in Texas. A person who meets the qualifications  
10 for a trainer or assistant trainer's license may also be  
11 licensed as an owner if the person intends to be the owner of  
12 record of a properly registered horse during the time of  
13 licensure. Except as otherwise provided by this subsection, the  
14 owner must be licensed one hour prior to the post time of the  
15 first race of the day in which the owner intends to race the  
16 animal.

17 (2)-(5) (No change.)

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

19 (g) Emergency License.

20 (1)-(2) (No change.)

21 (3) The trainer applying for an emergency owner's license  
22 must submit at least the following information: the owner's full  
23 name, home or business address, and telephone number [~~, and~~  
24 ~~social security number~~]. At the time of application, the  
25 appropriate licensing fee must be paid to the Commission.  
26 Failure to provide all of the foregoing information is grounds  
27 for denial of an emergency owner's license.

28 (4)-(6) (No change.)

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 06/01/2015

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

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Mailing address:			

Check appropriate box(es):

Personal Submission *OR*

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

Proposed Change to (if known): Chapter: 311 Rule: 102

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

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

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

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

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

Statutory Authority for Proposed Change: TRA §§ 3.02, 7.01

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

If an owner is unable to complete an application for an owner's license because of absence or illness, the licensed trainer may apply for an emergency license on behalf of the absent owner. Currently the trainer must submit at least the following information: the owner's full name, home or business address, telephone number, and social security number. Sometimes the trainer cannot get in touch with the owner to obtain the social security number and sometimes the owner is reluctant to provide this personal information to the trainer.

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

Aware of the tremendous increase in identity theft, staff has determined that the social security number is not crucial to the issuance of the emergency license, especially since the owner must provide all of the required licensing information, including the social security number, within 21 days of issuance of the emergency license.

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

The proposed rule amendment would allow the emergency licensing process to proceed without the social security number. Allowing the owner to provide the social security number directly to the Commission instead of asking the trainer to relay it as part of the emergency licensing process would also reduce the possibility that the owner's personally identifying information would be compromised.

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

The proposal was discussed at the Rules Committee Meeting on May 28, 2015, and no attendee expressed opposition.

### **E. Proposal**

There are separate rules for horse owners (Rule 311.101) and greyhound owners (Rule 311.102). The relevant portions of the emergency licensing provisions for both rules are identical, therefore staff recommends making the same amendment to the relevant sections of both rules. See next page for the language specific to the Greyhound Owners' rule.

**CHAPTER 311. OTHER LICENSES**

**SUBCHAPTER B. SPECIFIC LICENSES**

1 **Sec. 311.102. Greyhound Owners**

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

3 (c) Emergency License.

4 (1)-(2) (No change.)

5 (3) The trainer applying for an emergency owner's license  
6 must submit at least the following information: the owner's full  
7 name, home or business address, and telephone number [~~, and~~  
8 ~~social security number~~]. At the time of application, the  
9 appropriate licensing fee must be paid to the Commission.  
10 Failure to provide all of the foregoing information is grounds  
11 for denial of an emergency owner's license.

12 (4)-(6) (No change.)

13 (d) (No change.)

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 06/01/2015

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Check appropriate box(es):

Personal Submission *OR*

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

Proposed Change to (if known): Chapter: 301 Rule: 1

Proposed Addition to (if known): Chapter: 303 Rule: 31, 42

Other Rules Affected by Proposal (if any): Chapter: 309 Rule: 297, 299, 361

Chapter: 321 Rule: 5, 12, 13, 23, 25,27

Repeal of: Chapter: 321 Rule: 701, 703, 705, 707, 709, 711, 713, 715, 717, 719

:

Statutory Authority for Proposed Change: §§ 3.02, 3.021, 8.02, 11.01

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

The 261st District Court of Travis County has ruled that the rules relating to historical racing exceeded the Commission's authority. The Commission has not appealed the decision, therefore it cannot take any action under those rules.

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

The continued existence of the invalidated rules creates confusion among some as to the Commission's intent going forward. Further, a number of necessary rules were amended in order to address historical racing, so any reference to historical racing in those rules calls their legitimacy into question.

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

The following rules pre-existed the historical racing effort. They are necessary, so they should be amended and retained.

- § 301.1, Definitions
- § 303.31, Regulation of Racing
- § 303.42, Approval of Charity Race Days
- § 309.8, Racetrack License Fees (this rule is addressed elsewhere in the agenda)
- § 309.297, Purse Accounts
- § 309.299, Horsemen's Representative
- § 309.361, Greyhound Purse Account and Kennel Account
- § 321.5, Pari-Mutuel Auditor
- § 321.12, Time Synchronization
- § 321.13, Pari-Mutuel Track Report
- § 321.23, Wagering Explanations
- § 321.25, Wagering Information
- § 321.27, Posting of Race Results

The rules within Chapter 321, Subchapter F, Regulation of Historical Racing, may be repealed in their entirety.

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

At the Rules Committee Meeting on May 28, 2015, representatives of the Texas Horsemen's Partnership and the Texas Thoroughbred Association, as well as a representative of Sam Houston Race Park, Valley Race Park, and Laredo Race Park, spoke strongly against repeal. In addition, the agency has received over 150 emails through the SaveTexasHorses.com website in opposition to the repeal. Grey2K has written a letter in support.

### **E. Proposal**

See next page.

TITLE 16. ECONOMIC REGULATION  
PART 8. TEXAS RACING COMMISSION  
CHAPTER 301. DEFINITIONS

1 **Sec. 301.1. Definitions.**

2 (a) (No change.)

3 (b) The following words and terms, when used in this part, shall  
4 have the following meanings, unless the context clearly  
5 indicates otherwise:

6 (1) - (31) (No change.)

7 ~~(32) Historical racing--to present for pari-mutuel~~  
8 ~~wagering, through a totalisator system that meets the~~  
9 ~~requirements of Chapter 321, Subchapter F of this title~~  
10 ~~(relating to Regulation of Historical Racing), a previously run~~  
11 ~~horse or greyhound race that was:~~

12 ~~(A) authorized by the commission or by another racing~~  
13 ~~jurisdiction;~~

14 ~~(B) concluded with official results and without~~  
15 ~~scratches, disqualifications or dead-heat finishes; and~~

16 ~~(C) recorded by video, film, electronic, or similar~~  
17 ~~means of preservation.~~

18 (32) [~~(33)~~] Horse--an equine of any breed, including a  
19 stallion, gelding, mare, colt, filly, or ridgling.

20 (33) [~~(34)~~] Horse Race--a running contest between horses  
21 for entry fees, purse, prize, or other reward, including the  
22 following:

23 (A) Claiming race--a race in which a horse may be  
24 claimed in accordance with the Rules.

25 (B) Derby race--a race in which the first condition of  
26 eligibility is to be three years old.

27 (C) Futurity race--a race in which the first condition  
28 of eligibility is to be two years old.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

1           (D) Guaranteed race--a race for which the association  
2           guarantees by its conditions a specified purse, which is  
3           the limit of its liability.

4           (E) Handicap race--a race in which the weights to be  
5           carried by the entered horses are adjusted by the racing  
6           secretary for the purpose of equalizing their respective  
7           chances of winning.

8           (F) Match race--a race between only two horses that  
9           are owned by different owners.

10          (G) Maturity race--a race in which the first condition  
11          of eligibility is to be four years of age or older.

12          (H) Optional claiming race--a claiming race in which  
13          there is an option to have horses entered to be claimed for  
14          a stated price or not eligible to be claimed.

15          (I) Progeny race--a race restricted to the offspring  
16          of a specific stallion or stallions.

17          (J) Purse or overnight race--a race for which owners  
18          of horses entered are not required by its conditions to  
19          contribute money toward its purse.

20          (K) Stakes race--a race to which nominators of the  
21          entries contribute to a purse.

22          (L) Starter race--an overnight race under allowance or  
23          handicap conditions, restricted to horses which have  
24          previously started for a designated claiming price or less,  
25          as stated in the conditions of the race.

26          (M) Walkover race--a stakes race in which only one  
27          horse starts or all the starters are owned by the same  
28          interest.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

1           (N) Weight for age race--a race in which weights are  
2           assigned in keeping with the scale of weights in these  
3           rules.

4           (34) [~~(35)~~] In today horse--a horse that is in the body of  
5           a race program which is entered into a race on the next  
6           consecutive race day.

7           (35) [~~(36)~~] Kennel area--an area on association grounds for  
8           the boarding or training of greyhounds.

9           (36) [~~(37)~~] Lead out--an individual who handles a greyhound  
10          from the lockout kennel to the starting box.

11          (37) [~~(38)~~] Locked in the gate--a horse or greyhound that  
12          is prevented from leaving the starting gate or box due to the  
13          failure of the front door of the gate or box to open  
14          simultaneously with the other doors.

15          (38) [~~(39)~~] Lure--a mechanical apparatus at a greyhound  
16          racetrack consisting of a stationary rail installed around the  
17          track, a motorized mechanism that travels on the rail, and a  
18          pole that is attached to the mechanism and extends over the  
19          track, and to which a decoy is attached.

20          (39) [~~(40)~~] Maiden--a horse or greyhound that has never won  
21          a race at a recognized race meeting authorized by the Commission  
22          or by another racing jurisdiction.

23          (40) [~~(41)~~] Minus pool--a pool in which there are  
24          insufficient net proceeds to pay the minimum price to holders of  
25          the winning tickets.

26          (41) [~~(42)~~] Mutuel field--a group of horses joined as a  
27          single betting interest in a race due to the limited numbering  
28          capacity of the totalisator.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

1       (42) [~~(43)~~] No race--a race that is canceled after being  
2 run due to a malfunction of the starting gate or box or any  
3 other applicable reason as determined by the Rules.

4       (43) [~~(44)~~] Nominator--the person in whose name a horse or  
5 greyhound is entered for a race.

6       (44) [~~(45)~~] Occupational licensee--an individual to whom  
7 the Commission has issued a license to participate in racing  
8 with pari-mutuel wagering.

9       (45) [~~(46)~~] Odds--a number indicating the amount of profit  
10 per dollar wagered to be paid to holders of winning pari-mutuel  
11 tickets.

12       (46) [~~(47)~~] Off time--the moment when, on signal from the  
13 starter, the horses or greyhounds break from the starting gate  
14 or box and run the race.

15       (47) [~~(48)~~] Paddock--the area in which horses or greyhounds  
16 gather immediately before a race.

17       (48) [~~(49)~~] Patron--an individual present on association  
18 grounds during a race meeting who is eligible to wager on the  
19 racing.

20       (49) [~~(50)~~] Pecuniary interest--includes a beneficial  
21 ownership interest in an association, but does not include bona  
22 fide indebtedness or a debt instrument of an association.

23       (50) [~~(51)~~] Performance--the schedule of horse or greyhound  
24 races run consecutively as one program. A greyhound performance  
25 consists of fifteen or fewer races unless approved by the  
26 executive secretary.

27       (51) [~~(52)~~] Photofinish--the system of recording pictures  
28 or images of the finish of a race to assist in determining the  
29 order of finish.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

1           (52) [~~(53)~~] Place--to finish second in a race.

2           (53) [~~(54)~~] Post position--the position assigned to a horse  
3 or greyhound in the starting gate or box.

4           (54) [~~(55)~~] Post time--the time set for the arrival at the  
5 starting gate or boxes by the horses or greyhounds in a race.

6           (55) [~~(56)~~] Purse--the cash portion of the prize for a  
7 race.

8           (56) [~~(57)~~] Race date--a date on which an association is  
9 authorized by the Commission to conduct races.

10          (57) [~~(58)~~] Race day--a day in which a numerical majority  
11 of scheduled races is conducted and is a part of the  
12 association's allocated race days.

13          (58) [~~(59)~~] Race meeting--the specified period and dates  
14 each year during which an association is authorized to conduct  
15 racing and/or pari-mutuel wagering by approval of the  
16 Commission.

17          (59) [~~(60)~~] Racetrack facility--the buildings, structures  
18 and fixtures located on association grounds used by an  
19 association to conduct horse or greyhound racing.

20          (60) [~~(61)~~] Racetrack official--an individual appointed or  
21 approved by the Commission to officiate at a race meeting.

22          (61) [~~(62)~~] Racing judge--the executive racing official at  
23 a greyhound track.

24          (62) [~~(63)~~] Reasonable belief--a belief that would be held  
25 by an ordinary and prudent person in the same circumstances as  
26 the actor.

27          (63) [~~(64)~~] Recognized race meeting--a race meeting held  
28 under the sanction of a turf authority.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

- 1        (64) [~~65~~] Refunded ticket--a pari-mutuel ticket that has  
2 been refunded for the value of a wager that is no longer valid.
- 3        (65) [~~66~~] Rule off--to bar an individual from the  
4 enclosure of an association and to deny all racing privileges to  
5 the individual.
- 6        (66) [~~67~~] Rules--the rules adopted by the Texas Racing  
7 Commission found in Title 16, Part VIII of the Texas  
8 Administrative Code.
- 9        (67) [~~68~~] Schooling race--a practice race conducted under  
10 actual racing conditions but for which wagering is not  
11 permitted.
- 12        (68) [~~69~~] Scratch--to withdraw an entered horse or  
13 greyhound from a race after the closing of entries.
- 14        (69) [~~70~~] Scratch time--the closing time set by an  
15 association for written requests to withdraw from a race.
- 16        (70) [~~71~~] Show--to finish third in a race.
- 17        (71) [~~72~~] Specimen--a bodily substance, such as blood,  
18 urine, or saliva, taken for analysis from a horse, greyhound, or  
19 individual in a manner prescribed by the Commission.
- 20        (72) [~~73~~] Stakes payments--the fees paid by subscribers  
21 in the form of nomination, entry, or starting fees to be  
22 eligible to participate.
- 23        (73) [~~74~~] Stallion owner--a person who is owner of  
24 record, at the time of conception, of the stallion that sired  
25 the accredited Texas-bred horse.
- 26        (74) [~~75~~] Starter--a horse or greyhound entered in a race  
27 when the doors of the starting gate or box open in front of the  
28 horse or greyhound at the time the official starter dispatches  
29 the horses or greyhounds.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

1        (75) [~~76~~] Straight pool--a mutuel pool that involves  
2 wagers on a horse or greyhound to win, place, or show.

3        (76) [~~77~~] Subscription--money paid to nominate, enter, or  
4 start a horse or greyhound in a stakes race.

5        (77) [~~78~~] Tack room--a room in the stable area of a horse  
6 racetrack in which equipment for training and racing the horses  
7 is stored.

8        (78) [~~79~~] Totalisator--a machine or system for  
9 registering and computing the wagering and payoffs in pari-  
10 mutuel wagering.

11       (79) [~~80~~] Tote board--a facility at a racetrack that is  
12 easily visible to the public on which odds, payoffs,  
13 advertising, or other pertinent information is posted.

14       (80) [~~81~~] Tote room--the room in which the totalisator  
15 equipment is maintained.

16       (81) [~~82~~] Tout--an individual licensed to furnish  
17 selections on a race in return for a set fee.

18       (82) [~~83~~] Trial--a race designed primarily to determine  
19 qualifiers for finals of a stakes race.

20       (83) [~~84~~] Uplink--an earth station broadcasting facility,  
21 whether mobile or fixed, which is used to transmit audio-visual  
22 signals and/or data emanating from a sending racetrack, and  
23 includes the electronic transfer of received signals from the  
24 receiving antenna to TV monitors within the receiving location.

25       (84) [~~85~~] Weigh in--the process by which a jockey is  
26 weighed after a race or by which a greyhound is weighed before  
27 being placed in the lockout kennel.

28       (85) [~~86~~] Weighing in weight--the weight of a greyhound  
29 on weighing in to the lockout kennel.

**TITLE 16. ECONOMIC REGULATION**  
**PART 8. TEXAS RACING COMMISSION**  
**CHAPTER 301. DEFINITIONS**

1        (86) [~~87~~] Weigh out--the process by which a jockey or  
2 greyhound is weighed before a race.

3        (87) [~~88~~] Weighing out weight--the weight of a greyhound  
4 on weighing out of the lockout kennel immediately before post  
5 time for the race in which the greyhound is entered.

6        (88) [~~88~~] Win--to finish first in a race.

7        (89) [~~90~~] Winner--

8                (A) for horse racing, the horse whose nose reaches the  
9 finish line first, while carrying the weight of the jockey  
10 or is placed first through disqualification by the  
11 stewards; and

12                (B) for greyhound racing, the greyhound whose muzzle,  
13 or if the muzzle is lost or hanging, whose nose reaches the  
14 finish line first or is placed first through  
15 disqualification by the judges.

16        (90) [~~91~~] Active license--a racetrack license designated  
17 by the commission as active.

18        (91) [~~92~~] Inactive license--a racetrack license  
19 designated by the commission as inactive.

CHAPTER 303. GENERAL PROVISIONS

SUBCHAPTER B. POWERS AND DUTIES OF THE COMMISSION

1 **Sec. 303.31. Regulation of Racing**

2 The commission shall regulate each live and simulcast race  
3 meeting conducted in this state and supervise the operation of  
4 racetracks and the persons other than patrons who participate in  
5 a race meeting.

6  
7 **Sec. 303.42. Approval of Charity Race Days.**

8 (a) An association shall conduct charity days as required by the  
9 Act. A greyhound association shall conduct at least five charity  
10 race days each year. A Class 1 or Class 2 horse racetrack [~~that~~  
11 ~~is not conducting historical racing~~] shall conduct at least two  
12 and not more than five charity race days each year. [~~A Class 1~~  
13 ~~or Class 2 horse racetrack that is conducting historical racing~~  
14 ~~shall conduct at least three and not more than five charity race~~  
15 ~~days each year.~~]

16 (b) [~~During each application period in which an association~~  
17 ~~applies for live race dates, the association shall also apply~~  
18 ~~for charity race dates as necessary to comply with subsection~~  
19 ~~(a) of this section.~~] An association shall apply to the  
20 commission not later than July 1 of each year for charity race  
21 dates to be conducted in the next calendar year. The application  
22 must be in writing and contain:

23 (1) - (4) (No change.)

24 (c) An association shall pay to the charity at least 2.0% of the  
25 total pari-mutuel handle generated at the association's  
26 racetrack on live races and imported simulcast races on the  
27 charity race day.

28 (d) [~~Charities.~~]

29 [~~(1)~~] At least one [~~percent of the pari mutuel handle from~~  
30 ~~live racing and simulcasting on charity racing days shall be~~

CHAPTER 303. GENERAL PROVISIONS

SUBCHAPTER B. POWERS AND DUTIES OF THE COMMISSION

1 ~~contributed to a~~ of the charity days must be conducted for a  
2 charity that directly benefits the persons who work in the  
3 stable or kennel area of the racetrack~~[, and at least one~~  
4 ~~percent shall be contributed to]~~. At least one of the charity  
5 days must be conducted for a charity that primarily benefits  
6 research into the health or safety of race animals.

7 [~~(2) For a horse racing association conducting historical~~  
8 ~~racing, at least 1.5% of the pari-mutuel handle from historical~~  
9 ~~racing on charity racing days shall be contributed to a charity~~  
10 ~~that directly funds veterinary research beneficial to promoting~~  
11 ~~the health and soundness of horses; and at least one-half of one~~  
12 ~~percent of the pari-mutuel handle from historical racing on~~  
13 ~~charity racing days shall be contributed to a charity that~~  
14 ~~facilitates youth participation in equestrian sports and~~  
15 ~~activities.]~~

16 [~~(3) For a greyhound association conducting historical~~  
17 ~~racing, at least two percent of the pari-mutuel handle from~~  
18 ~~historical racing on charity racing days shall be contributed to~~  
19 ~~a charity that provides for the medical care and rehabilitation~~  
20 ~~of injured greyhounds.]~~

CHAPTER 309. RACETRACK LICENSES AND OPERATIONS

SUBCHAPTER A. RACETRACKS LICENSES

DIVISION 1. GENERAL PROVISIONS

1 **Sec. 309.8. Racetrack License Fees**

2 (a) Purpose of Fees. An association shall pay a license fee to  
3 the Commission to pay the Commission's costs to administer and  
4 enforce the Act, and to regulate, oversee, and license live and  
5 simulcast racing [~~and pari-mutuel wagering~~] at racetracks.

6 (b) Annual License Fee.

7 (1) A licensed racing association shall pay an annual  
8 license fee. The annual license fee for each license type is as  
9 follows:

10 (A) for a Class 1 racetrack, \$500,000;

11 (B) for a Class 2 racetrack, \$230,000;

12 (C) for a Class 3 or 4 racetrack, \$70,000; and

13 (D) for a Greyhound racetrack, \$360,000.

14 (2) An association that is conducting live racing[~~7~~  
15 ~~historical racing~~] or simulcasting shall pay its annual license  
16 fee by remitting to the Commission 1/12th of the fee on the  
17 first business day of each month. For the State Fiscal Year that  
18 begins on September 1, 2011, the monthly remittance shall begin  
19 in the month of January.

20 (3) An association that is not conducting live racing[~~7~~  
21 ~~historical racing~~] or simulcasting shall pay its annual license  
22 fee on September 1 of each fiscal year. For the State Fiscal  
23 Year that begins on September 1, 2011, the annual license fees  
24 shall be paid in two separate payments. The first payment will  
25 be of \$100,000 and is due on September 1, 2011. The second  
26 payment will be of the remaining unpaid balance and shall be  
27 paid on January 1, 2012.

28 (c) (No change.)

CHAPTER 309. RACETRACK LICENSES AND OPERATIONS

SUBCHAPTER C. HORSE RACETRACKS

DIVISION 4. OPERATIONS

1 **Sec. 309.297. Purse Accounts.**

2 (a) All money required to be set aside for purses, whether from  
3 wagering on live races or on simulcast wagering, are trust funds  
4 held by an association as custodial trustee for the benefit of  
5 horsemen. No more than three business days after the end of each  
6 week's wagering, the association shall deposit the amount set  
7 aside for purses into purse accounts maintained as trust  
8 accounts for the benefit of horsemen by breed by the horsemen's  
9 organization in one or more federally or privately insured  
10 depositories.

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

12

13 **Sec. 309.299. Horsemen's Representative.**

14 (a) Findings. The Commission finds a need for horse owners and  
15 trainers to negotiate and covenant with associations as to the  
16 conditions of live race meetings, the distribution of purses not  
17 governed by statute, simulcast transmission and reception, and  
18 other matters relating to the welfare of the owners and trainers  
19 participating in live racing at an association. To ensure the  
20 uninterrupted, orderly conduct of racing in this state, the  
21 Commission shall recognize one organization to represent horse  
22 owners and trainers on matters relating to the conduct of live  
23 racing and simulcasting at Texas racetracks.

24 (b) (No change.)

25 (c) Authority and Responsibilities.

26 (1) An organization recognized under this section shall  
27 negotiate with each association regarding the association's live  
28 racing program, including but not limited to the allocation of  
29 purse money to various live races, the exporting of simulcast

**CHAPTER 309. RACETRACK LICENSES AND OPERATIONS**

**SUBCHAPTER C. HORSE RACETRACKS**

**DIVISION 4. OPERATIONS**

- 1 signals, [~~issues related to historical racing,~~] and the
- 2 importing of simulcast signals during live race meetings.
- 3 (2) - (6) (No change.)

CHAPTER 309. RACETRACK LICENSES AND OPERATIONS

SUBCHAPTER D. GREYHOUND RACETRACKS

DIVISION 2. OPERATIONS

1 **Sec. 309.361. Greyhound Purse Account and Kennel Account.**

2 (a) Greyhound Purse Account.

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

11 (2) (No change.)

12 (b) (No change.)

13 (c) The Texas Greyhound Association ("TGA") shall negotiate with  
14 each association regarding the association's live racing  
15 program, including but not limited to the allocation of purse  
16 money to various live races, the exporting of simulcast signals,  
17 [~~issues related to historical racing,~~] and the importing of  
18 simulcast signals during live race meetings.

19 (d) - (f) (No change.)

**CHAPTER 321. PARI-MUTUEL WAGERING**

**SUBCHAPTER A. MUTUEL OPERATIONS**

**DIVISION 1. GENERAL PROVISIONS**

1 **Sec. 321.5. Pari-mutuel Auditor.**

2 (a) (No change.)

3 (b) The pari-mutuel auditor shall verify the wagering pool  
4 totals for each live and simulcast performance [~~and any~~  
5 ~~historical racing pools~~]. The pari-mutuel auditor's verification  
6 of the pool totals is the basis for computing the amount of  
7 money to be set aside from each pool for the following:

8 (1) - (6) (No change.)

9 (c) (No change.)

10

11 **Sec. 321.12. Time Synchronization.**

12 (a) Display and verification of the accurate off time and start  
13 of a [~~live or simuleast~~] race is critical. To ensure accurate  
14 verification of off time with the close of betting on all [~~live~~  
15 ~~and simuleast~~] races, the association shall ensure:

16 (1) - (3) (No change.)

17 (b) (No change.)

18

19 **Sec. 321.13. Pari-mutuel Track Report.**

20 (a) Daily Pari-Mutuel Summary Report.

21 (1) - (3) (No change.)

22 (4) The report must contain, by each live and simulcast  
23 performance[~~, and for each day historical racing is conducted~~],  
24 the following:

25 (A) - (D) (No change.)

26 (E) all purses earned, broken out by source, such as  
27 live, [~~historical racing,~~] simulcast, cross species, and  
28 export;

29 (F) - (H) (No change.)

30 (b) (No change.)

CHAPTER 321. PARI-MUTUEL WAGERING

SUBCHAPTER A. MUTUEL OPERATIONS

DIVISION 2. WAGERING INFORMATION AND RESULTS

1 **Sec. 321.23. Wagering Explanations.**

2 (a) (No change.)

3 [~~(b) Historical racing terminals operated by an association must~~  
4 ~~provide:~~]

5 [~~(1) an explanation of the rules of the various types of~~  
6 ~~wagers offered through that terminal; and]~~

7 [~~(2) information about the expiration date of vouchers~~  
8 ~~issued by the terminal, which must be printed on the vouchers.]~~

9 (b) [~~(c)~~] Wagering explanations must be reviewed and approved by  
10 the executive secretary before publication.

11

12 **Sec. 321.25. Wagering Information.**

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

14 [~~(d) Wagering information for historical racing must be audited~~  
15 ~~by an independent third party approved by the executive~~  
16 ~~secretary before the information is displayed or wagers taken on~~  
17 ~~the associated race.]~~

18

19 **Sec. 321.27. Posting of Race Results.**

20 An association shall submit to the executive secretary for  
21 approval a plan for providing live and simulcast race results to  
22 the wagering public. The plan must include:

23 (1) methods by which the results will be provided;

24 (2) types of results to be provided; and

25 (3) the retention period of the race results.

CHAPTER 321. PARI-MUTUEL WAGERING

1 REPEAL OF THE FOLLOWING SUBCHAPTER AND RULES

2

3 SUBCHAPTER F. REGULATION OF HISTORICAL RACING

4 Sec. 321.701. Purpose

5 Sec. 321.703. Historical Racing

6 Sec. 321.705. Request to Conduct Historical Racing

7 Sec. 321.707. Requirements for Operating a Historical Racing

8 Totalisator System

9 Sec. 321.709. Types of Pari-Mutuel Wagers for Historical Racing

10 Sec. 321.711. Historical Racing Pools; Seed Pools

11 Sec. 321.713. Deductions from Pari-Mutuel Pools

12 Sec. 321.715. Contract Retention, Pari-Mutuel Wagering Record

13 Retention

14 Sec. 321.717. Effect of Conflict

15 Sec. 321.719. Severability