



TEXAS RACING COMMISSION

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Texas Racing Commission
Thursday, February 18, 2016
10:30 a.m.
John H. Reagan Building
105 W. 15th Street
Austin, Texas 78701

AGENDA

I. CALL TO ORDER

Roll Call

II. PROCEEDINGS ON RULEMAKING

Discussion, consideration and possible action on the following matters:

A. Adoption of Amendments and Adoption of Repeals of Rules Related to Historical Racing as published in the January 1, 2016, edition of the *Texas Register*:

- 1) Adoption of Amendment to Rule 301.1, Definitions
- 2) Adoption of Amendment to Rule 303.31, Regulation of Racing
- 3) Adoption of Amendment to Rule 303.42, Approval of Charity Race Days
- 4) Adoption of Amendment to Rule 309.8, Racetrack License Fees
- 5) Adoption of Amendment to Rule 309.297, Purse Accounts
- 6) Adoption of Amendment to Rule 309.299, Horsemen's Representative
- 7) Adoption of Amendment to Rule 309.361, Greyhound Purse Account and Kennel Account
- 8) Adoption of Amendment to Rule 321.5, Pari-Mutuel Auditor
- 9) Adoption of Amendment to Rule 321.12, Time Synchronization
- 10) Adoption of Amendment to Rule 321.13, Pari-Mutuel Track Report
- 11) Adoption of Amendment to Rule 321.23, Wagering Explanations
- 12) Adoption of Amendment to Rule 321.25, Wagering Information

- 13) Adoption of Amendment to Rule 321.27, Posting of Race Results
- 14) Adoption of Repeal of Subchapter F, Regulation of Historical Racing, including the Repeal of the Following Rules:
 - a) Rule 321.701, Purpose
 - b) Rule 321.703, Historical Racing
 - c) Rule 321.705, Request to Conduct Historical Racing
 - d) Rule 321.707, Requirements for Operating a Historical Racing Totalisator System
 - e) Rule 321.709, Types of Pari-Mutuel Wagers for Historical Racing
 - f) Rule 321.711, Historical Racing Pools; Seed Pools
 - g) Rule 321.713, Deductions from Pari-Mutuel Pools
 - h) Rule 321.715, Contract Retention, Pari-Mutuel Wagering Record Retention
 - i) Rule 321.717, Effect of Conflict
 - j) Rule 321.719, Severability

B. Withdrawal of Proposed Repeal of Rule 321.705, Request to Conduct Historical Racing, as published in the January 1, 2016, edition of the *Texas Register*.

C. Proposal to Amend Rule 321.705, Request to Conduct Historical Racing. If approved by the Commission, this new proposal will be published in the *Texas Register* for public comment.

III. 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.

IV. ADJOURN

**TEXAS RACING COMMISSION
COMMITTEE ON RULES**

Date of Request: 06/01/2015
Updated 8/18/2015
Updated 12/8/2015

***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
E-mail: info@txrc.texas.gov

Contact Information:

Name:	Staff – Legal	Phone(s):	512-833-6699
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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: 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
- § 309.297, 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. History / Support and Opposition

June 9, 2015

At its meeting on June 9, 2015, the Commission voted to publish the proposed amendments and repeals for public comment, and they subsequently appeared in the June 26, 2015 edition of the *Texas Register*.

Staff received nearly 1,300 public comments in response to the publication, all but four of which were in opposition to the repeal of the historical racing rules. Most comments were in the form of form letters, emails, and petition signatures. In addition, there were comments from legislators, organizations, and racetracks.

Staff received five comments from state legislators, one of which explicitly supported historical racing. The remaining four letters from legislators did not explicitly support historical racing, but they opposed making any connection between the agency's funding and its decision on the proposed repeal.

Staff received five letters opposing repeal from industry organizations: the Texas Greyhound Association; the Texas Thoroughbred Association; the Texas Horsemen's Partnership; the Jockeys' Guild; and a legal brief on behalf of the Texas Thoroughbred HBPA. Staff also received letters in opposition to repeal from Sam Houston Race Park and Gulf Greyhound Park.

Staff received three letters supporting the repeal of historical racing from three non-industry organizations: the Kickapoo Traditional Tribe of Texas; a representative of 300 organizations licensed to conduct charitable bingo; and Grey2K USA.

Staff prepared a separate compilation of these comments and provided it to the Commissioners. This compilation was also made available on the agency's website.

August 25, 2015

At its meeting on August 25, 2015, the Commission considered the repeal of the historical racing rules. Several members of the racing industry spoke in opposition to the repeal. One representative of the American Legion, Department of Texas, spoke in favor of the repeal. These comments are available in the meeting transcript, which is published on the agency's website.

Following discussion by the Commission, Commissioner Michael Martin moved to withdraw the proposal to repeal the historical rules, which was seconded by Commissioner Aber. This motion failed on a vote of four in favor of the motion, three in opposition, and one abstention. (Commission Rule 303.5 provides that a motion before the Commission is carried by an affirmative vote of the majority of the commissioners present at the meeting. Since eight commissioners were present, a motion required five affirmative votes in order to carry.) Commissioner Leon then moved to repeal the rules, which was seconded by Chairman Schmidt. This motion failed on a vote of three in favor, four in opposition, and one abstention. At this conclusion of this vote, the meeting was adjourned.

December 15, 2015

At its meeting on December 15, 2015, the Commission again considered the repeal of the historical racing rules. Several members of the racing industry spoke in opposition to the repeal. One representative of the Christian Life Commission of the Baptist General Convention of Texas spoke in favor of the repeal. These comments are available in the meeting transcript, which is published on the agency's website.

Following discussion by the Commission, Commissioner Margaret Martin moved to adopt the proposal to repeal the historical rules, which was seconded by Commissioner Leon. This motion failed on a vote of four in favor of the motion, four in opposition, and one abstention.

The Commission then voted unanimously to withdraw the existing historical racing proposals and to republish the proposed repeal of historical racing in the *Texas Register* for public comment. This allows the Commission to reconsider the proposed repeal of the historical racing rules at its February 2016 meeting.

Current Status

The proposed repeal of the historical racing rules was published in the January 1, 2016, edition of the *Texas Register*. During the public comment period, the Commission received almost 1,000 comments. One comment, from the Kickapoo Tradition Tribe of Texas, supported repeal. The remaining comments were in opposition to the repeal. A compilation of these comments will be provided to the Commissioners and made available on the agency's website. The proposed repeal is now eligible for the Commission's consideration at the February 2016 meeting.

F. Proposals

See next pages.

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

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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.

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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.

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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.

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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.

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- 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.

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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.

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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) [~~89~~] 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) An association shall apply to the commission not later than
17 July 1 of each year for charity race dates to be conducted in
18 the next calendar year. [~~During each application period in which~~
19 ~~an association applies for live race dates, the association~~
20 ~~shall also apply for charity race dates as necessary to comply~~
21 ~~with subsection (a) of this section.~~] The application must be in
22 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 of the charity days must be conducted
30 for a [~~percent of the pari-mutuel handle from live racing and~~

CHAPTER 303. GENERAL PROVISIONS

SUBCHAPTER B. POWERS AND DUTIES OF THE COMMISSION

1 ~~simuleasting on charity racing days shall be contributed to a]~~
2 charity that directly benefits the persons who work in the
3 stable or kennel area of the racetrack. At least one of the
4 charity days must be conducted for [~~, and at least one percent~~
5 ~~shall be contributed to]~~ 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) (No change.)

8 (2) An association that is conducting live racing[~~τ~~
9 ~~historical racing~~] or simulcasting shall pay its annual license
10 fee by remitting to the Commission 1/12th of the fee on the
11 first business day of each month.

12 (3) An association that is not conducting live racing[~~τ~~
13 ~~historical racing~~] or simulcasting shall pay its annual license
14 fee in four equal installments on September 1, December 1, March
15 1, and June 1 of each fiscal year.

16 (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) [~~(e)~~] 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

PROPOSAL TO AMEND
RULE 321.705, REQUEST TO
CONDUCT HISTORICAL RACING

CHAPTER 321. PARI-MUTUEL WAGERING

SUBCHAPTER F. REGULATION OF HISTORICAL RACING

Sec. 321.705 Request to Conduct Historical Racing

(a)-(g) (No change.)

(h) The Commission shall not consider or approve any request to conduct historical racing under this section until after September 1, 2017.