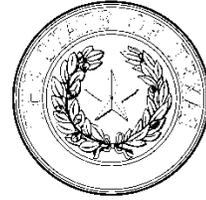


## TEXAS RACING COMMISSION

P. O. Box 12080 ★ Austin, TX 78711-2080  
8505 Cross Park ★ Austin, TX 78754-4552  
(512) 833-6699 ★ Fax (512) 833-6907



# COMMITTEE ON RULES

Wednesday, July 27, 2016

10:00 a.m.

Texas Animal Health Commission  
2105 Kramer Lane  
Austin, Texas 78758

## Agenda

The Committee will discuss the proposed adoption of an amendment to Rule 319.110, Health Certificate, as published in the July 1, 2016, edition of the *Texas Register*.

The Committee will discuss a request by the Texas Greyhound Association to amend provisions relating to the distribution of Accredited Texas Bred Owners' Awards under Rule 303.102, Greyhound Rules.

The public will be given an opportunity to address the Committee and identify any potential subjects that it would like placed on the agenda for discussion at a future Committee meeting.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: 5/5/16

***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:	Veterinary Medical Director Robert James, DVM	Phone(s):	(512) 833-6699
E-mail address:	<a href="mailto:info@txrc.texas.gov">info@txrc.texas.gov</a>	Fax number:	(512) 833-6907
Mailing address:	P.O. Box 12080, Austin, TX 78711-2080		

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: 110

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**

Texas Racing Commission (TRC) Rule 319.110, Health Certificate, is inconsistent with Texas Animal Health Commission's (TAHC's) rules regarding the health inspection requirements for a horse to enter a racetrack facility. Also, the present rule-heading "Health Certificate" does not adequately address those additional requirements for horses entering a pari-mutuel track as required by the TAHC.

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

TRC Rule 319.110 provides that to be admitted on to an association's grounds, a horse must have:

- (1) a current negative test for equine infectious anemia conducted in accordance with rules of the Texas Animal Health Commission; and
- (2) a health certificate issued in the 45-day period preceding the horse's arrival.

TAHC Rule 49.1 provides that equine entering a pari-mutuel track must have a negative EIA test within the past 12 months and a Certificate of Veterinary Inspection.

TAHC Rule 49.5 provides that equine entering a racetrack facility must have a negative Piroplasmosis test (*Theileria equi*) within the past 12 months. (TAHC policy excepts Thoroughbreds.)

TAHC Rule 51.1 provides that a Certificate of Veterinary Inspection is valid for 30 days.

TAHC Rule 51.4 provides that horses entering a pari-mutuel track from out-of-state or area of origin must have a negative EIA test within the past 12 months and a Certificate of Veterinary Inspection.

TAHC Rule 51.4 provides that horses from in-state origin entering a pari-mutuel track from out-of-state or area of origin must have a negative EIA test within the past 12 months and a Certificate of Veterinary Inspection.

TAHC Rule 58.2 provides that if TAHC's Executive Director determines that livestock have been exposed to or infected with a disease (with limited exceptions) and determines that an animal health emergency exists, then the executive director is authorized to exercise all the necessary authority to respond as expediently as possible, including determining the necessary requirements related to quarantine, disposal, testing, movement, inspection, and treatment.

Specifically, TRC's rule treating 45-day old health certificates as valid is inconsistent with TAHC's 30-day requirement. In addition, TRC's rule does not address piroplasmosis, nor does it address the possibility that TAHC may impose additional requirements in response to an animal health emergency. Also, TRC's rule-heading "Health Certificate" does not address other current TAHC entry requirements such as a current negative test for equine infectious anemia and a negative Piroplasmosis test (*Theileria equi*) within the past 12 months.

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

While the Commission could specifically adopt TAHC's current requirements, this approach would require TRC to amend its rules anytime TAHC amends its rules. Staff recommends instead that the rule be amended to incorporate TAHC's standards by reference. TAHC follows the same rule-making process that TRC does, so the industry will retain the ability to fully participate in the development of those rules.

## **D. Support or Opposition**

The proposal was published in the July 1, 2016, edition of the *Texas Register*. As of July 20, 2016, staff has not received any comments in response to the publication.

## **E. Proposal**

See next page.

**§319.110. Requirements to Enter Association Grounds Health Certificate**

To be admitted on to an association's grounds, a horse must be accompanied by a current certificate of veterinary inspection and meet any other health inspection requirements established by the Texas Animal Health Commission. ~~have:~~

- ~~(1) a current negative test for equine infectious anemia conducted in accordance with rules of the Texas Animal Health Commission; and~~
- ~~(2) a health certificate issued in the 45 day period preceding the horse's arrival.~~



*texas greyhound association*

June 21, 2016

delivered via email:  
[mark.fenner@txrc.texas.gov](mailto:mark.fenner@txrc.texas.gov)

Mark Fenner  
Texas Racing Commission  
PO Box 12080  
Austin, TX 78711

Dear Mr. Fenner,

The Texas Greyhound Association requests the Texas Racing Commission review the two proposed rule changes listed below:

Chapter 303.102 (b)(1)  
Chapter 303.102 (b)(2)

If you have any questions, please contact me.

Thank you,

David Peck  
President

TGA Board of Directors

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: June 9, 2016

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

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Phone: 512/833-6699 Fax: 512-833-6907  
email: [info@txrc.texas.gov](mailto:info@txrc.texas.gov)

**Contact Information:**

Name:	Laird Morgan	Phone(s):	214-363-0555
E-mail address:	[REDACTED]	Fax number:	214-369-3590
Mailing address:	Suite 230, 850 Central Parkway East, Plano TX 75074		

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Greyhound Association  
(Name of Organization)

Proposed Change to (if known): Chapter: 303 <sup>102</sup> (b)(1) \_\_\_\_\_

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

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

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

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

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

Statutory Authority for Proposed Change: Sections 11.011(l) and Section 9.03 of the Texas Racing Act

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

With current race dates approved, plans are being developed for programs limited to Texas Bred futurity/pup racing. The TGA membership has developed a consensus agreement for the proposed short season racing that the best form of allocation of Texas Bred funds is to pay Texas Bred point collectors in a race-first through fourth place. This would provide greater benefit to a larger number of owners and encourage more people to participate in developing Texas bred greyhounds. We want to leave in the authority to return to the traditional payment to winner in the event the programs are not run as anticipated and for when Texas greyhound racing returns to a more traditional schedule with more broad based competition.

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

*Provide background on the issue to build context. Address the following:*

- *What specific problems or concerns are involved in this issue?*
- *Who does the issue affect?*
- *What existing model rules relate to this issue?*
- *Provide relevant quantitative or statistical information if possible.*

There may be some individuals opposed to any change. This provision is neutral on the issue of futurity racing vs. graded hound racing.

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

*Provide possible recommendations to solve the problem. Include details on each proposed solution such as:*

- *What solution does this proposal provide?*
- *How will the solution fix the problem?*
- *How will the change affect any entities or stakeholders?*
- *How will you or your organization be affected by the proposed change?*
- *What are the benefits of the proposed change?*
- *What are the possible drawbacks of the proposed change?*
- *Identify possible fiscal impact of the recommended change.*

This rule change to allow wider allocation of the Texas Bred incentive funds will create more administrative effort on the constituents of greyhound racing. Most of increased administrative burden will fall on the TGA which accepts such responsibility.

## **D. Support or Opposition**

*Please identify any affected stakeholder groups that expressed support or opposition. (These stakeholders may include the racetracks, breed registries, owners, kennel owners, trainers, jockeys, veterinarians, or others.)*

- *For those stakeholder groups that have expressed an opinion, please list the points on which they agree or disagree, and the arguments they have expressed.*
- *Are there any affected stakeholder groups that have not been consulted on this proposal?*
- *Please submit any formal letters of support or opposition by stakeholder groups.*

The Board of Directors of the Texas Greyhound Association supports the proposal. The TGA has received encouragement from the track associations (which have not yet seen the specific proposal). The TGA believes this proposal will have the support of all track interests.

## **E. Proposal**

*Provide rule language you are proposing. If you are proposing that current rule language be eliminated, please ~~strikeout~~ the language to be deleted. Please show new language with underlined text.*

(b) Owners' Awards.

(1) The owner of a registered Texas-bred greyhound that secures a qualifying finish in a pari-mutuel race in Texas is eligible to receive an owner's award. The qualifying finish of a race shall be determined by agreement of the association presenting the pari-mutuel race and the TGA. The agreement may provide the eligibility for the owner's award is for the greyhound winning the race or the agreement may provide the Texas-bred greyhounds earning points in a race, generally the first four finishers, are eligible. The association and the TGA shall agree on the percentage allocation when the owners' award is to be distributed to multiple position Texas-bred finishers in a race. For purposes of this subdivision, each elimination and final in a stakes race competition is considered a pari-mutuel race. A dead heat among Texas-bred greyhounds for a position shall result in the owner's award for the position and following position to be combined and divided among the owner's. In the event the dead heat is for the final eligible position, then in such event, both owner's shall be paid the award for that finish position.

**TEXAS RACING COMMISSION  
COMMITTEE ON RULES**

Date of Request: June 9, 2016

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**Contact Information:**

Name:	Laird Morgan	Phone(s):	214-363-0555
E-mail address:	<span style="background-color: black; color: black;">[REDACTED]</span>	Fax number:	214-369-3590
Mailing address:	Suite 230, 850 Central Parkway East, Plano TX 75074		

Check appropriate box(es):

Personal Submission *OR*

Submission on Behalf of Texas Greyhound Association  
(Name of Organization)

Proposed Change to (if known): Chapter: 303 <sup>102</sup> (b)(2) \_\_\_\_\_

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

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

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

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

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

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## **E. Proposal**

*Provide rule language you are proposing. If you are proposing that current rule language be eliminated, please ~~strikeout~~ the language to be deleted. Please show new language with underlined text.*

(b) Owners' Awards.

(2) TGA will pay owners' awards no later than the last business day of each month. TGA will issue the check for each award to the person in whose name the Texas-bred greyhound is registered. To determine the amount of each award, the total amount of money received from the Commission for the Texas Bred Incentive Program prior to the first of the month in which racing commences, minus the statutorily permitted amount for administrative expenses, shall be divided by the number of pari-mutuel incentive qualifying performances, with pro-rata allocation based on place in finish; by registered Texas-bred greyhounds during the months of racing. The result is the amount of owner's award to be paid for each registered Texas-bred greyhound that had a qualifying finish in a pari-mutuel race in Texas during the months of scheduled racing. The payments shall be calculated on per race basis over the entire schedule of racing and paid monthly. Such payment procedure shall be followed during each month of racing. Following the conclusion of racing, the funds of the Texas Bred Incentive Program shall accumulate until the next scheduled racing. In the event racing is undertaken at multiple tracks during a calendar year with graded and/or futurity racing, then in such event, the award amount may be paid to only the owner of the greyhound winning the race and to determine the total amount of each award, the total amount of money received from the Commission for the Texas Bred Incentive Program for the preceding month, minus the statutorily permitted amount for administrative expenses, shall be divided by the number of pari-mutuel races won by registered Texas-bred greyhounds during the preceding month, plus five. The result is the amount of owner's award to be paid for each registered Texas-bred greyhound that won a pari-mutuel race in Texas during the preceding month.

Note: The following is a TRC staff-prepared version of the Texas Greyhound Association's proposal developed in consultation with TGA representatives.

CHAPTER 303. GENERAL PROVISIONS

SUBCHAPTER D. TEXAS BRED INCENTIVE PROGRAM

DIVISION 3. PROGRAMS FOR GREYHOUNDS

1 **Sec. 303.102. Greyhound Rules**

2 (a) (No change.)

3 (b) Owners' Awards.

4 (1) The owner of a registered Texas-bred greyhound is  
5 eligible to receive an owner's award if the greyhound is among  
6 the first four Texas-bred greyhounds to finish a pari-mutuel  
7 race in Texas. ~~that wins a pari mutuel race in Texas is eligible~~  
8 ~~to receive an owner's award.~~ For purposes of this subdivision,  
9 each elimination and final in a stakes race competition is  
10 considered a pari-mutuel race. A dead heat for any the win  
11 position shall result in the owner's award for the position and  
12 the following Texas-bred position to be combined and divided  
13 among the dead heat participants' owners. ~~is considered a win~~  
14 ~~for each greyhound involved in the dead heat.~~

15 (2) Owners' awards for each race shall be paid out as  
16 follows:

17 (A) First Texas-bred greyhound - 50%

18 (B) Second Texas-bred greyhound - 25%

19 (C) Third Texas-bred greyhound - 15%

20 (D) Fourth Texas-bred greyhound - 10%

21 (3) If fewer than four registered Texas-bred greyhounds  
22 finish a race, the undistributed portion of the owner's award  
23 shall be retained for distribution at the next greyhound meet  
24 under paragraph (8) of this subsection.

25 (4)~~(2)~~ TGA will pay owners' awards no later than the last  
26 business day of each month for the previous month's awards. TGA  
27 will issue the check for each award to the person in whose name  
28 the Texas-bred greyhound is registered.

29 (5) Determination of Award Amounts. Owners' awards for  
30 each race are composed of the sum of the following two amounts:

CHAPTER 303. GENERAL PROVISIONS

SUBCHAPTER D. TEXAS BRED INCENTIVE PROGRAM

DIVISION 3. PROGRAMS FOR GREYHOUNDS

1           (A) the total amount of money received from the  
2           Commission for the Texas Bred Incentive Program for the  
3           period between the dates that the last Texas greyhound meet  
4           ended and the current Texas greyhound meet began, minus the  
5           statutorily permitted amount for administrative expenses,  
6           divided by the number of pari-mutuel races proposed at the  
7           beginning of the current greyhound meet, plus five; and

8           (B) To determine the amount of each award, the total  
9           amount of money received from the Commission for the Texas  
10           Bred Incentive Program during the current greyhound meet  
11           for the preceding month, minus the statutorily permitted  
12           amount for administrative expenses, ~~shall be~~ divided by the  
13           number of Texas greyhound pari-mutuel races conducted ~~won~~  
14           ~~by registered Texas-bred greyhounds~~ during the preceding  
15           month, plus five. ~~The result is the amount of owner's award~~  
16           ~~to be paid for each registered Texas-bred greyhound that~~  
17           ~~won a pari-mutuel race in Texas during the preceding month.~~

18           (6)(3) TGA shall make a reasonable effort to deliver all  
19           owners' awards. If after 12 months after issuing a check for an  
20           owner's award TGA is unsuccessful in delivering the check to the  
21           proper person, TGA shall void the check and add the unclaimed  
22           amount to the total amount to be distributed as owners' awards  
23           for the next greyhound meet. ~~month.~~

24           (7)(4) Each month, five owner's award shares under  
25           subparagraphs (b)(5)(A) and (b)(5)(B) of this section will be  
26           retained to cover errors that may be made by TGA. A person who  
27           believes he or she is entitled to an owner's award must file a  
28           claim with TGA no later than 90 days after the end of the month  
29           during which the race on which the claim is based was conducted.  
30           On receipt of a claim for an owner's award, TGA shall determine

CHAPTER 303. GENERAL PROVISIONS

SUBCHAPTER D. TEXAS BRED INCENTIVE PROGRAM

DIVISION 3. PROGRAMS FOR GREYHOUNDS

1 whether the claim is valid. If the claim is valid, TGA shall  
2 immediately pay the owner's award. After the deadline for filing  
3 a claim, TGA shall add the remaining retained owner's award  
4 shares to the total amount to be distributed in the next  
5 greyhound meet. month. If more than five valid claims are filed,  
6 TGA shall pay the sixth and subsequent claims from the owner's  
7 award shares retained from the next and subsequent months until  
8 all valid claims are paid.

9 (8) At the conclusion of the current greyhound meet and  
10 after the TGA has distributed all owners' awards under this  
11 subsection, the TGA shall add any remaining Accredited Texas  
12 Bred Funds to the total amount to be distributed as owners'  
13 awards at the next greyhound meet.

14 (9)-(5) An owner's award may not be paid for a greyhound  
15 that is disqualified from a race due to a positive drug test. On  
16 notice to TGA that a race's results are affected by a positive  
17 drug test, TGA shall retain any owner's award due to the  
18 affected winning greyhound until the Commission's disciplinary  
19 proceedings regarding the positive drug test are final and  
20 unappealable. If the greyhound's disqualification is overturned,  
21 the TGA shall pay the retained owner's award within 30 days of  
22 receiving notice of the final disposition of the proceeding. If  
23 the greyhound's disqualification is upheld, the amount of the  
24 retained owner's award shall be added to the total amount to be  
25 distributed as owners' awards for the next greyhound meet month  
26 after the month in which TGA is notified of the final  
27 disposition of the proceeding.

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