

By: Armbrister S.B. No. 1387
(In the Senate - Filed March 13, 2003; March 19, 2003, read first time and referred to Committee on State Affairs; May 9, 2003, reported favorably by the following vote: Yeas 5, Nays 0; May 9, 2003, sent to printer.)

A BILL TO BE ENTITLED
AN ACT

relating to the regulation of racing.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (d), Section 3.07, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(d) Medication or drug testing performed on a race animal under this Act shall be conducted by the Texas Veterinary Medical Diagnostic Laboratory or by a laboratory operated by or in conjunction with or by a private or public agency selected by the commission after consultation with the ~~[on a yearly basis by competitive bidding submitted to the commission for final approval. The commission's decision shall be based on cost and integrity. The]~~ Texas Veterinary Medical Diagnostic Laboratory ~~[may aid the commission in its selection]~~. Medication or drug testing performed on a human under this Act shall be conducted by a laboratory approved by the commission. Charges for services performed under this section shall be forwarded to the commission for approval as to the reasonableness of the charges for the services. Charges may include but are not limited to expenses incurred for travel, lodging, testing, and processing of test results. The reasonable charges associated with medication or drug testing conducted under this Act shall be paid by the association that receives the services. The commission shall adopt rules for the procedures for approving and paying laboratory charges under this section. The commission shall determine if the laboratory drug-testing charges are [On the approval of the charges as] reasonable, in relation to industry standards [for testing charges], by periodically surveying the testing charges of comparable laboratories in the United States. The [the] commission shall forward a copy of the charges to the association that receives the services for immediate payment.

SECTION 2. Subsection (a), Section 3.08, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) Except as provided by Subsection (b) of this section, a final decision of the stewards or judges may be appealed to the commission in the manner provided for a contested case under Chapter 2001, Government Code [the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes)]. A decision appealed under this section shall be reviewed under the substantial evidence rule.

SECTION 3. Article 5, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by adding Section 5.06 to read as follows:

Sec. 5.06. OCCUPATIONAL LICENSEES. Any racetrack that conducts a seasonal live race meeting in which there is a period of at least six weeks between live meets must, at the completion of the live meet:

(1) terminate the seasonal workforce within 10 days of the end of the live meet;

(2) collect seasonal workforce licensee certificates or credentials issued by the commission; and

(3) provide the commission with a list of all terminated licensees within five days of termination.

SECTION 4. Section 6.08, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by amending Subsection (i) and adding Subsection (o) to read as follows:

(i) Ten percent of the total breakage from a live pari-mutuel pool or a simulcast pari-mutuel pool is to be paid to the commission for use by the appropriate state horse breed registry, subject to rules promulgated by the commission. The appropriate breed registry for Thoroughbred horses is the Texas Thoroughbred Breeders Association, for quarter horses is the Texas Quarter Horse Association, ~~[for Appaloosa horses is the Texas Appaloosa Horse Club,]~~ for Arabian horses is the Texas Arabian Breeders Association, and for paint horses is the Texas Paint Horse Breeders Association.

(o) A horse breed registry may by rule restrict the eligibility of its horses for accredited Texas-bred awards or purse supplements when the horse runs in mixed racing.

SECTION 5. Article 6, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by adding Section 6.0915 to read as follows:

Sec. 6.0915. CROSS-SPECIES SIMULCASTING. (a) To ensure cross-species simulcasting adequately supports and enhances the live races offered at the racetrack, a racetrack may offer a cross-species simulcast only pursuant to an agreement, approved by the commission, between the horsemen's organization, the state greyhound breed registry, and all racetracks desiring to offer cross-species simulcasting. The agreement shall contain provisions to address the percentage of revenue from the simulcast that will be allocated to horse purses, greyhound purses, and administrative costs. The commission may adopt rules specifying other matters to be addressed in the agreement. The rules may require the payment of any purse allocation to the commission or to one or more official breed registries for distribution among the various Texas racetracks.

(b) If the parties to the agreement described in Subsection (a) of this section cannot reach an agreement by September 1, 2004, any party listed in Subsection (a) of this section may request the commission to take jurisdiction over the matter and negotiate an agreement between the parties to provide for cross-species simulcasting at all racetracks desiring to offer cross-species simulcasting.

(c) An agreement under this section shall provide for an amount set by the official state greyhound breed registry, but not to exceed 15 percent of the amount set aside for greyhound purses under this section from each cross-species simulcast pool, to be paid to the registry.

(d) An agreement under this section shall provide for 0.37 percent of each cross-species simulcast pool at a horse racetrack to be paid to the state quarter horse breed registry for distribution as quarter horse purses at Texas horse racetracks.

(e) An agreement under this section shall provide for 0.37 percent of each cross-species simulcast pool at a horse racetrack to be paid to the state Thoroughbred breed registry for distribution as Thoroughbred purses at Texas horse racetracks.

(f) The commission shall adopt rules relating to the oversight, collection, and distribution of the amounts allocated under Section 6.091 of this Act and this section.

(g) This section takes effect January 1, 2004.

SECTION 6. Subsection (a), Section 6.06, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) To preserve and protect the public health, welfare, and safety, the commission shall adopt rules relating to license applications, the financial responsibility, moral character, and ability of applicants, and all matters relating to the planning, construction, and operation of racetracks. The commission may refuse to issue a racetrack license or may revoke or suspend a license if, after notice and hearing, it has reasonable grounds to believe and finds that:

(1) the applicant has been convicted in a court of competent jurisdiction of a violation of this Act or any rule adopted by the commission or that the applicant has aided, abetted, or conspired with any person to commit such a violation;

(2) the applicant has been convicted of a felony or of any crime involving moral turpitude, including convictions for which the punishment received was a suspended sentence, probation, or a nonadjudicated conviction, that is reasonably related to the applicant's present fitness to hold a license under this Act;

(3) the applicant has violated or has caused to be violated this Act or a rule of the commission in a manner that involves moral turpitude, as distinguished from a technical violation of this Act or of a rule;

(4) the applicant is unqualified, by experience or otherwise, to perform the duties required of a licensee under this Act;

(5) the applicant failed to answer or falsely or incorrectly answered a question in an application;

(6) the applicant fails to disclose the true ownership or interest in a greyhound or horse as required by the rules of the commission;

(7) the applicant is indebted to the state for any fees or for the payment of a penalty imposed by this Act or by a rule of the commission;

(8) the applicant is not of good moral character or the applicant's reputation as a peaceable, law-abiding citizen in the community where the applicant resides is bad;

(9) the applicant has not yet attained the minimum age necessary to purchase alcoholic beverages in this state;

(10) the applicant is in the habit of using alcoholic beverages to an excess or uses a controlled substance as defined in Chapter 481, Health and Safety Code, or a dangerous drug as defined in Chapter 483, Health and Safety Code, or is mentally incapacitated;

(11) the applicant may be excluded from a track enclosure under this Act;

~~(12) [the applicant has not been a United States citizen residing in this state for the period of 10 consecutive years immediately preceding the filing of the application;~~

~~[(13)]~~ the applicant has improperly used a license certificate, credential, or identification card issued under this Act;

~~(13) [(14)]~~ the applicant is residentially domiciled with a person whose license has been revoked for cause within the 12 months immediately preceding the date of the present application;

~~(14) [(15)]~~ the applicant has failed or refused to furnish a true copy of the application to the commission's district office in the district in which the premises for which the permit is sought are located;

~~(15) [(16)]~~ the applicant is engaged or has engaged in activities or practices that the commission finds are detrimental to the best interests of the public and the sport of greyhound racing or horse racing; or

~~(16) [(17)]~~ the applicant fails to fully disclose the true owners of all interests, beneficial or otherwise, in a proposed racetrack facility.

SECTION 7. Article 11, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by adding Section 11.11 to read as follows:

Sec. 11.11 SIMULCASTING RESTRICTED TO DESIGNATED PREMISES. The commission shall not allow wagering on a simulcast horse or greyhound race at more than one location licensed under Section 6.02 of this Act and within an area defined by Section 6.02(b) of this Act.

SECTION 8. Subsections (c), (d), and (h), Section 6.06, and Section 6.16, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), are repealed.

SECTION 9. Subsections (c) through (j), Section 6.091, and Subsections (h), (i), and (j), Section 11.011, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), are repealed.

SECTION 10. This Act takes effect September 1, 2003.

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