

BILL ANALYSIS

H.B. 2701
By: Flores
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Racing Commission regulates all aspects of the pari-mutuel racing industry including strict oversight of wagering and the conduct of live and simulcast racing. Very few changes have been made to the Texas Racing Act since 1997 when the Texas Racing Commission's sunset legislation was passed by the 75th Legislature. A recent review of the agency's statute determined that several updates and clarifications would be beneficial and make the Commission's regulation more consistent. In addition, as racing industry revenue streams trend downward, the State's method of recovering costs for regulation needs to be improved.

HB 2701 proposes recommended changes that will improve agency regulation and oversight.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Racing Commission in SECTION 5 of this bill.

ANALYSIS

HB 2701 modifies the definition of trainer to recognize that both horses and greyhounds have trainers and the definition of a judge to make it consistent with the current definition of a steward. Defines the term "executive director".

HB 2701 allows the commission and executive secretary to use the title of "executive director" for any purpose in referring to the office of executive secretary.

HB 2701 changes the agency's method of finance by deleting the provision that requires the associations to pay the balance of uncashed tickets to the commission. Requires the commission, by rule, to set reasonable and necessary fees to cover costs of regulating, overseeing and licensing live and simulcast racing. Clarifies the fee collection authority by deleting the provision that 50% of the greyhound breakage goes to the commission.

HB 2701 allows the agency the flexibility to use either pre-race or post-race drug testing to determine whether a prohibited substance has been used.

HB 2701 extends the time the Commission has to submit fingerprints to the Department of Public Safety from one to no more than ten business days after the date the commission receives the prints.

HB 2701 deletes expired provisions relating to the initial funding provided for the Commission in Section 6.091. Makes conforming changes and moves the placement of the word "simulcast".

HB 2701 authorizes the agency to establish and collect a fee to cover the costs of doing criminal background checks on individuals requesting approval for a transfer of ownership in a racetrack license.

HB 2701 strikes Article 5996h, Revised Statutes and replaces it with Chapter 573 of the Government Code. Changes the period from "two year" to "one year" from prohibiting a racetrack from employing Commission members and some agency employees.

HB 2701 allows a person who claims to be entitled to money from a pari-mutuel pool may, not later than the first anniversary of the day the ticket was purchased, file with the association a claim for the money and allows a person who claims to be entitled to money from a pari-mutuel voucher may before the first anniversary of the day the voucher was issued, file with the association a claim for the money.

HB 2701 repeals an outdated section that only applies to a particular license and its need to complete requirements by a deadline of January 1, 1992 and repeals the definition of the expiration date of a pari-mutuel (not later than the 61st day after the closing day of a race meeting).

EFFECTIVE DATE

September 1, 2007.