

AN ACT

relating to the regulation of horse and dog racing.

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

SECTION 1. Section 1.03, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by amending Subdivisions (36) and (53) and adding Subdivision (79) to read as follows:

(36) "Trainer" means a person who is licensed by the commission to train racehorses or greyhounds.

(53) "Judge" means a racing official with general authority and supervision over:

(A) the conduct of a licensed race meeting; and

(B) all licensees at a racetrack during a race meeting [~~an executive official of a greyhound racetrack~~].

(79) "Executive director" means the executive secretary of the Texas Racing Commission.

SECTION 2. Section 2.12, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by adding Subsection (a-1) to read as follows:

(a-1) The commission and the executive secretary may use the title "executive director" for any purpose in referring to the office of executive secretary.

SECTION 3. Section 3.16(b), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) The commission [~~may require prerace testing and~~] shall

1 require [~~postrace~~] testing to determine whether a prohibited
2 substance has been used. The testing may be prerace or postrace as
3 determined by the commission. The testing may be by an invasive or
4 noninvasive method. The commission's rules shall require
5 state-of-the-art testing methods.

6 SECTION 4. Section 5.01, Texas Racing Act (Article 179e,
7 Vernon's Texas Civil Statutes), is amended by adding Subsection (d)
8 to read as follows:

9 (d) The commission by rule shall set fees in amounts
10 reasonable and necessary to cover the commission's costs of
11 regulating, overseeing, and licensing live and simulcast racing at
12 racetracks.

13 SECTION 5. Section 5.03(b), Texas Racing Act (Article 179e,
14 Vernon's Texas Civil Statutes), is amended to read as follows:

15 (b) If a complete set of fingerprints is required by the
16 commission, the commission shall, not later than the 10th business
17 [next] day after the date the commission receives [~~receiving~~]
18 the prints, forward the prints to the Department of Public Safety or the
19 Federal Bureau of Investigation. If the prints are forwarded to the
20 Department of Public Safety, the department shall classify the
21 prints and check them against its fingerprint files and shall
22 report to the commission its findings concerning the criminal
23 record of the applicant or the lack of such a record. A racetrack
24 license may not be issued until the report is made to the
25 commission. A temporary occupational license may be issued before
26 a report is made to the commission.

27 SECTION 6. Section 6.06, Texas Racing Act (Article 179e,

1 Vernon's Texas Civil Statutes), is amended by amending Subsection
2 (h) and adding Subsections (j) and (k) to read as follows:

3 (h) A person may not own more than a five percent interest in
4 more than three [~~two~~] racetracks licensed under this Act.

5 (j) Notwithstanding any other law, a person who owns an
6 interest in two or more racetracks licensed under this Act and who
7 also owns an interest in a license issued under Subtitle B, Title 3,
8 Alcoholic Beverage Code, may own an interest in the premises of
9 another holder of a license or permit under Title 3, Alcoholic
10 Beverage Code, if the premises of that other license or permit
11 holder are part of the premises of a racetrack licensed under this
12 Act.

13 (k) The commission shall review the ownership and
14 management of a license issued under this article every five years
15 beginning on the fifth anniversary of the issuance of the license.
16 In performing the review, the commission may require the license
17 holder to provide any information that would be required to be
18 provided in connection with an original license application under
19 Article 5 of this Act or this article. The commission shall charge
20 fees for the review in amounts sufficient to implement this
21 subsection.

22 SECTION 7. Section 6.09(c), Texas Racing Act (Article 179e,
23 Vernon's Texas Civil Statutes), is amended to read as follows:

24 (c) On each racing day, the association shall pay[+
25 [~~(1)~~] the fee due the state to the comptroller[~~, and~~
26 [~~(2)~~ the 50 percent of the breakage due the state to
27 ~~the commission]~~.

1 SECTION 8. Section 6.091(a), Texas Racing Act (Article
2 179e, Vernon's Texas Civil Statutes), is amended to read as
3 follows:

4 (a) An association shall distribute from the total amount
5 deducted as provided by Sections 6.08(a) and 6.09(a) of this Act
6 from each simulcast pari-mutuel pool and each simulcast
7 cross-species pool the following shares:

8 (1) [~~(A) until January 1, 1999, an amount equal to 0.25~~
9 ~~percent of each simulcast pari-mutuel pool and each simulcast~~
10 ~~cross-species simulcast pool as the amount set aside to reimburse~~
11 ~~the general revenue fund for amounts that are appropriated for the~~
12 ~~administration and enforcement of this Act and that are in excess of~~
13 ~~the cumulative amount of funds deposited in the Texas Racing~~
14 ~~Commission fund, until the excess amount and interest on the excess~~
15 ~~amount are fully reimbursed;~~

16 [~~(B)~~] an amount equal to one percent of each
17 simulcast pool as the amount set aside for the state; [~~and~~]

18 (2) (2) [~~(C)~~] an amount equal to 1.25 percent of each
19 simulcast cross-species [~~simulcast~~] pool as the amount set aside
20 for the state;

21 [~~(2) an amount equal to 0.25 percent of each pool set~~
22 ~~aside to reimburse the general revenue fund for amounts that are~~
23 ~~appropriated for the administration and enforcement of this Act and~~
24 ~~that are in excess of the cumulative amount of funds deposited in~~
25 ~~the Texas Racing Commission fund, until the excess amount and~~
26 ~~interest on the excess amount are fully reimbursed,]~~

27 (3) if the association is a horse racing association,

1 an amount equal to one percent of a multiple two wagering pool or
2 multiple three wagering pool as the amount set aside for the
3 Texas-bred program to be used as provided by Section 6.08(f) of this
4 Act;

5 (4) if the association is a greyhound association, an
6 amount equal to one percent of a multiple two wagering pool or a
7 multiple three wagering pool as the amount set aside for the
8 Texas-bred program for greyhound races, to be distributed and used
9 in accordance with rules of the commission adopted to promote
10 greyhound breeding in this state; and

11 (5) the remainder as the amount set aside for purses,
12 expenses, the sending association, and the receiving location
13 pursuant to a contract approved by the commission between the
14 sending association and the receiving location.

15 SECTION 9. Section 6.13(b), Texas Racing Act (Article 179e,
16 Vernon's Texas Civil Statutes), is amended to read as follows:

17 (b) Each transaction that involves an acquisition or a
18 transfer of a pecuniary interest in the association must receive
19 prior approval from the commission. A transaction that changes the
20 ownership of the association requires submission of updated
21 information of the type required to be disclosed under Subsection
22 (a) of Section 6.03 of this Act and payment of a fee to recover the
23 costs of the criminal background check.

24 SECTION 10. Section 6.16(a), Texas Racing Act (Article
25 179e, Vernon's Texas Civil Statutes), is amended to read as
26 follows:

27 (a) An association may not employ any person who has been a

1 member of the commission, the executive secretary of the
2 commission, or an employee employed by the commission in a position
3 in the state employment classification plan of grade 12 or above, or
4 any person related within the second degree by affinity or the third
5 degree by consanguinity, as determined under Chapter 573,
6 Government Code [~~Article 5996h, Revised Statutes~~], to such a member
7 or employee, during the one-year [~~two-year~~] period immediately
8 preceding the employment by the association.

9 SECTION 11. Section 11.07, Texas Racing Act (Article 179e,
10 Vernon's Texas Civil Statutes), is amended by amending Subsection
11 (a) and adding Subsection (a-1) to read as follows:

12 (a) A person who claims to be entitled to any part of a
13 distribution from a pari-mutuel pool [~~and who fails to claim the~~
14 ~~money due the person before the completion of the race meeting at~~
15 ~~which the pool was formed~~] may, not later than the first anniversary
16 of the [~~60th~~] day the ticket was purchased [~~after the closing day of~~
17 ~~the meeting~~], file with the association a claim for the money
18 together with a substantial portion of the pari-mutuel ticket
19 sufficient to identify the association, race, and horse or
20 greyhound involved and sufficient to show the amount wagered and
21 the type of ticket.

22 (a-1) A person who claims to be entitled to money from a
23 pari-mutuel voucher may before the first anniversary of the day the
24 voucher was issued file with the association a claim for the money
25 together with a substantial portion of the pari-mutuel voucher
26 sufficient to identify the association, the serial number, the date
27 issued, and the amount of the voucher.

H.B. No. 2701

1 SECTION 12. Sections 6.19 and 11.08, Texas Racing Act
2 (Article 179e, Vernon's Texas Civil Statutes), are repealed.

3 SECTION 13. This Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 2701 was passed by the House on May 11, 2007, by the following vote: Yeas 117, Nays 22, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2701 on May 25, 2007, by the following vote: Yeas 111, Nays 25, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2701 was passed by the Senate, with amendments, on May 23, 2007, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor