

By: Flores

H.B. No. 2701

A BILL TO BE ENTITLED

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 3.07(e), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(e) To pay the charges associated with the medication or

1 drug testing, an association may use the money held by the  
2 association to pay outstanding tickets and pari-mutuel vouchers.  
3 If additional amounts are needed to pay the charges, the  
4 association shall pay those additional amounts. [~~If the amount~~  
5 ~~held exceeds the amount needed to pay the charges, the association~~  
6 ~~shall pay the excess to the commission in accordance with Section~~  
7 ~~11.08 of this Act.~~]

8 SECTION 4. Section 3.16(b), Texas Racing Act (Article 179e,  
9 Vernon's Texas Civil Statutes), is amended to read as follows:

10 (b) The commission [~~may require prerace testing and~~] shall  
11 require [~~postrace~~] testing to determine whether a prohibited  
12 substance has been used. The testing may be prerace or postrace as  
13 determined by the commission. The testing may be by an invasive or  
14 noninvasive method. The commission's rules shall require  
15 state-of-the-art testing methods.

16 SECTION 5. Section 5.01, Texas Racing Act (Article 179e,  
17 Vernon's Texas Civil Statutes), is amended by adding Subsection (d)  
18 to read as follows:

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

23 SECTION 6. Section 5.03(b), Texas Racing Act (Article 179e,  
24 Vernon's Texas Civil Statutes), is amended to read as follows:

25 (b) If a complete set of fingerprints is required by the  
26 commission, the commission shall, not later than the 10th business  
27 [~~next~~] day after the date the commission receives [~~receiving~~] the

1 prints, forward the prints to the Department of Public Safety or the  
2 Federal Bureau of Investigation. If the prints are forwarded to the  
3 Department of Public Safety, the department shall classify the  
4 prints and check them against its fingerprint files and shall  
5 report to the commission its findings concerning the criminal  
6 record of the applicant or the lack of such a record. A racetrack  
7 license may not be issued until the report is made to the  
8 commission. A temporary occupational license may be issued before  
9 a report is made to the commission.

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

12 (c) On each racing day, the association shall pay[+  
13 [~~(1)~~] the fee due the state to the comptroller[~~, and~~  
14 [~~(2) the 50 percent of the breakage due the state to~~  
15 ~~the commission~~].

16 SECTION 8. Section 6.091(a), Texas Racing Act (Article  
17 179e, Vernon's Texas Civil Statutes), is amended to read as  
18 follows:

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

23 (1) [~~(A) until January 1, 1999, an amount equal to 0.25~~  
24 ~~percent of each simulcast pari-mutuel pool and each simulcast~~  
25 ~~cross-species simulcast pool as the amount set aside to reimburse~~  
26 ~~the general revenue fund for amounts that are appropriated for the~~  
27 ~~administration and enforcement of this Act and that are in excess of~~

1 ~~the cumulative amount of funds deposited in the Texas Racing~~  
2 ~~Commission fund, until the excess amount and interest on the excess~~  
3 ~~amount are fully reimbursed,~~

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

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

9 [~~(2)~~ an amount equal to 0.25 percent of each pool set  
10 ~~aside to reimburse the general revenue fund for amounts that are~~  
11 ~~appropriated for the administration and enforcement of this Act and~~  
12 ~~that are in excess of the cumulative amount of funds deposited in~~  
13 ~~the Texas Racing Commission fund, until the excess amount and~~  
14 ~~interest on the excess amount are fully reimbursed,]~~

15 (3) if the association is a horse racing association,  
16 an amount equal to one percent of a multiple two wagering pool or  
17 multiple three wagering pool as the amount set aside for the  
18 Texas-bred program to be used as provided by Section 6.08(f) of this  
19 Act;

20 (4) if the association is a greyhound association, an  
21 amount equal to one percent of a multiple two wagering pool or a  
22 multiple three wagering pool as the amount set aside for the  
23 Texas-bred program for greyhound races, to be distributed and used  
24 in accordance with rules of the commission adopted to promote  
25 greyhound breeding in this state; and

26 (5) the remainder as the amount set aside for purses,  
27 expenses, the sending association, and the receiving location

1 pursuant to a contract approved by the commission between the  
2 sending association and the receiving location.

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

5 (b) Each transaction that involves an acquisition or a  
6 transfer of a pecuniary interest in the association must receive  
7 prior approval from the commission. A transaction that changes the  
8 ownership of the association requires submission of updated  
9 information of the type required to be disclosed under Subsection  
10 (a) of Section 6.03 of this Act and payment of a fee to recover the  
11 costs of the criminal background check.

12 SECTION 10. Section 6.16(a), Texas Racing Act (Article  
13 179e, Vernon's Texas Civil Statutes), is amended to read as  
14 follows:

15 (a) An association may not employ any person who has been a  
16 member of the commission, the executive secretary of the  
17 commission, or an employee employed by the commission in a position  
18 in the state employment classification plan of grade 12 or above, or  
19 any person related within the second degree by affinity or the third  
20 degree by consanguinity, as determined under Chapter 573,  
21 Government Code [~~Article 5996h, Revised Statutes~~], to such a member  
22 or employee, during the one-year [~~two-year~~] period immediately  
23 preceding the employment by the association.

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

27 (a) A person who claims to be entitled to any part of a

1 distribution from a pari-mutuel pool [~~and who fails to claim the~~  
2 ~~money due the person before the completion of the race meeting at~~  
3 ~~which the pool was formed~~] may, not later than the first anniversary  
4 of the [60th] day the ticket was purchased [~~after the closing day of~~  
5 ~~the meeting~~], file with the association a claim for the money  
6 together with a substantial portion of the pari-mutuel ticket  
7 sufficient to identify the association, race, and horse or  
8 greyhound involved and sufficient to show the amount wagered and  
9 the type of ticket.

10 (a-1) A person who claims to be entitled to money from a  
11 pari-mutuel voucher may before the first anniversary of the day the  
12 voucher was issued file with the association a claim for the money  
13 together with a substantial portion of the pari-mutuel voucher  
14 sufficient to identify the association, the serial number, the date  
15 issued, and the amount of the voucher.

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

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