

By: Lucio III

H.B. No. 4640

A BILL TO BE ENTITLED

AN ACT

relating to regulation of pari-mutuel racing.

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

SECTION 1. Section 1.03(44), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(44) "Combination" means a combination of races, including a combination of one or more races conducted by one or more racetracks in different racing jurisdictions.

SECTION 2. Section 6.06(a), 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

1 any crime involving moral turpitude, including convictions for
2 which the punishment received was a suspended sentence, probation,
3 or a nonadjudicated conviction, that is reasonably related to the
4 applicant's present fitness to hold a license under this Act;

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

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

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

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

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

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

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

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

1 in Chapter 483, Health and Safety Code, or is mentally
2 incapacitated;

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

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

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

11 (13) ~~[(14)]~~ the applicant is residentially domiciled
12 with a person whose license has been revoked for cause within the 12
13 months immediately preceding the date of the present application;

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

18 (15) ~~[(16)]~~ the applicant is engaged or has engaged in
19 activities or practices that the commission finds are detrimental
20 to the best interests of the public and the sport of greyhound
21 racing or horse racing; or

22 (16) ~~[(17)]~~ the applicant fails to fully disclose the
23 true owners of all interests, beneficial or otherwise, in a
24 proposed racetrack facility.

25 SECTION 3. Section 6.091(e), Texas Racing Act (Article
26 179e, Vernon's Texas Civil Statutes), is amended to read as
27 follows:

1 (e) The purse set aside under Subsection (c)(4) of this
2 section shall be deposited into an escrow account in the registry of
3 the commission. Any horse racetrack association in this state may
4 apply to the commission for receipt of all or part of the escrowed
5 purse account for use as purses. The commission shall determine to
6 which horse racetracks the escrowed purse account shall be
7 allocated and in what percentages, taking into consideration:

8 (1) purse levels, racing opportunities, and the
9 financial status of the requesting racetrack; or

10 (2) a written agreement executed by the horse
11 racetracks. [~~The first distribution of the escrowed purse account~~
12 ~~allocated to a racetrack under this section may not be made before~~
13 ~~October 1, 1998.~~]

14 SECTION 4. Section 7.02(a), Texas Racing Act (Article 179e,
15 Vernon's Texas Civil Statutes), is amended to read as follows:

16 (a) Each person [~~, other than a spectator or person placing~~
17 ~~a wager,~~] involved in any capacity with racing with pari-mutuel
18 wagering under this Act must obtain a license under this article,
19 except:

20 (1) a spectator;

21 (2) a person placing a wager; or

22 (3) a person who acts only as a concessionaire.

23 SECTION 5. Section 8.01, Texas Racing Act (Article 179e,
24 Vernon's Texas Civil Statutes), is amended to read as follows:

25 Sec. 8.01. ALLOCATION. (a) The commission:

26 (1) shall allocate the live and simulcast racing days
27 for the conduct of live and simulcast racing at each racetrack

1 licensed under this Act;

2 (2) may reallocate a race date from one racetrack to
3 another racetrack; and

4 (3) shall adopt rules governing the transfer of purse
5 funds to a racetrack to which the commission reallocates a race date
6 under Subdivision (2) of this subsection.

7 (b) Each racetrack shall accord reasonable access to races
8 for all breeds of horses as determined by the racetrack through
9 negotiations with the representative state breed registry with the
10 final approval of the commission. In granting approval, the
11 commission shall consider the factors of availability of
12 competitive horses, economic feasibility, and public interest.

13 (c) In allocating race dates under this section, the
14 commission shall consider live race dates separately from simulcast
15 race dates.

16 (d) The commission may prohibit Sunday racing unless the
17 prohibition would conflict with another provision of this Act.

18 SECTION 6. Sections 6.06(c) and (d), Texas Racing Act
19 (Article 179e, Vernon's Texas Civil Statutes), are repealed.

20 SECTION 7. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2009.