

## **BILL ANALYSIS**

C.S.H.B. 254  
By: Hilderbran  
Licensing & Administrative Procedures  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been reported that there is a need to promote, develop, and improve horse breeding and related businesses in Texas. C.S.H.B. 254 seeks to further this cause by establishing the Texas Derbies as annual stakes races.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 254 amends the Texas Racing Act to require the Texas Racing Commission to establish the Texas Derbies as annual stakes races consisting of one race open to three-year-old Thoroughbreds, one race open only to three-year-old Texas-bred Thoroughbreds, one race open to three-year-old quarter horses, and one race open only to three-year-old Texas-bred quarter horses.

C.S.H.B. 254 requires the respective official state breed registries and the official horsemen's organization, for a Texas Derby open only to Texas-bred horses, to develop the race conditions and entrance qualifications and the preference system used to determine the race finalists. The bill requires each class 1 racetrack that is awarded a Texas Derby that is not limited to Texas-bred horses to develop for the derby the race conditions and entrance qualifications and the preference system used to determine the race finalists. The bill establishes that the race conditions and qualifications and preference systems developed for the Texas Derbies are subject to review and approval by the executive secretary of the commission.

C.S.H.B. 254 requires the commission to set the date of and the location for each derby and requires each derby to be held annually at the class 1 racetrack determined by the commission. The bill requires the commission to determine the location of each derby in consultation with each class 1 racetrack, the official state breed registries, and the official horsemen's organization. The bill creates a temporary provision, set to expire January 1, 2016, prohibiting the date of the initial Texas Derby from being earlier than January 1, 2015.

C.S.H.B. 254 requires the commission, for each Texas Derby, to appoint a state veterinarian to conduct a prerace examination of each horse entered in the race to determine whether the horse is healthy and meets standards set by commission rule for racing. The bill authorizes the examination to include any procedure that the state veterinarian considers necessary to make that determination and authorizes the examination to be conducted at any time before the race.

C.S.H.B. 254 requires the commission to establish a Texas Derby escrow purse fund and prohibits the commission from contributing any money to the fund before January 1, 2015.

## **EFFECTIVE DATE**

September 1, 2011.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 254 differs from the original by requiring the Texas Racing Commission to establish the Texas Derbies as specified annual stakes races, whereas the original requires the commission to establish the Texas Derby as an annual grade 1 stakes race of Texas-bred Thoroughbred and quarter horses in Texas.

C.S.H.B. 254 contains provisions not included in the original providing for the development of the race conditions, the entrance qualifications, and the preference system used to determine the race finalists and establishing that the race conditions, qualifications, and preference systems developed for the Texas Derbies are subject to review and approval by the executive secretary of the commission.

C.S.H.B. 254 differs from the original by requiring the commission to determine the location of each derby in consultation with each class 1 racetrack, the official state breed registries, and the official horsemen's organization, whereas the original requires the commission to determine the location of the derby by conducting a blind drawing of the names of each class 1 racetrack in Texas to establish an annual rotation for the location. The substitute omits a provision included in the original requiring the commission, not later than January 1, 2015, to establish the required annual rotation.

C.S.H.B. 254 omits provisions included in the original relating to the establishment by the commission of qualifying races for the Texas Derby.

C.S.H.B. 254 differs from the original by requiring the commission, for each Texas Derby, to appoint a state veterinarian to conduct a prerace examination of each horse entered in the race to determine whether the horse is healthy and meets standards set by commission rule for racing, whereas the original requires the commission, for each qualifying race conducted under the bill's provisions and for the Texas Derby, to appoint a veterinarian to supervise the inspection and examination of each horse entered in the race to determine whether the horse is qualified to participate in the race. The substitute contains a provision not included in the original authorizing the prerace examination to include any procedure that the state veterinarian considers necessary to make a determination relating to the health and readiness of a horse and authorizing the examination to be conducted at any time before the race. The substitute omits a provision included in the original requiring the commission by rule, in consultation with veterinarians, to establish a list of documentation that must be presented for each year to the appointed veterinarian to demonstrate that the horse is qualified to run in the race.

C.S.H.B. 254 differs from the original by requiring the commission to establish a Texas Derby escrow purse fund, rather than a Texas Derby purse fund, as in the original. The substitute omits provisions included in the original relating to the commission's annual contribution to the Texas Derby purse fund, the collection of an entry fee from each owner of a horse entered in the race to be used for the fund, and the requirement that the commission adopt rules relating to the fund.