

By: Kolkhorst, Buckingham

S.B. No. 1971

A BILL TO BE ENTITLED

AN ACT

relating to the set aside, collection, and transfer of certain money for the Texas-bred program.

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

SECTION 1. Section 12.020(r), Agriculture Code, is amended to read as follows:

(r) The commissioner shall transfer money paid as a [A] penalty and collected under this section to the Texas Racing Commission for the Texas-bred program to be used as provided by Section 6.08(f-1), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) ~~[shall be deposited in the state treasury to the credit of the General Revenue Fund].~~

SECTION 2. Section 6.08, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by amending Subsections (f) and (n) and adding Subsections (f-1) and (f-2) to read as follows:

(f) The amounts set aside, collected, or received for the Texas-bred program include:

(1) the amount of a multiple two wagering pool or a multiple three wagering pool set aside under Subsection (d) of this section;

(2) the amounts of the pari-mutuel pools set aside for the Texas-bred program by an association as required under Section 6.091(a)(1) of this Act;

1           (3) the fees collected by the commission on the use of  
2 an automatic banking machine under Section 11.04(e) of this Act;

3           (4) the money paid as administrative penalties under  
4 Section 12.020, Agriculture Code, and transferred to the commission  
5 under Subsection (r) of that section;

6           (5) any amount appropriated to the commission for the  
7 Texas-bred program; and

8           (6) any gift, grant, or donation of money or property  
9 from any person or source for the Texas-bred program.

10           (f-1) The money set aside, collected, or received for the  
11 Texas-bred program, as provided by Subsection (f) of this section,  
12 is in addition to any money received from the breakage. Of the  
13 amounts provided by Subsection (f) of this section [~~amount set~~  
14 ~~aside under Subsection (d) of this section~~], two percent shall be  
15 set aside for deposit in the equine research account under  
16 Subchapter F, Chapter 88, Education Code, and, of the remaining 98  
17 percent, 10 percent may be used by the appropriate breed registry  
18 for administration and the remaining 90 percent shall be used for  
19 awards.

20           (f-2) The commission may accept any gift, grant, or donation  
21 of money or property from any person or source to use for any  
22 purpose authorized by this Act.

23           (n) An accredited Texas-bred Thoroughbred or Arabian horse  
24 described by Section 1.03(21)(C) of this Act is eligible for only  
25 one-half of the incentives awarded under Subsections (f-1) [~~(f)~~]  
26 and (j)(2) of this section. The remaining portion shall be retained  
27 by the appropriate state horse breed registry for general

1 distribution at the same meeting in accordance with Subsections  
2 (f-1) [~~(f)~~] and (j) of this section.

3 SECTION 3. Section 6.091(a), Texas Racing Act (Article  
4 179e, Vernon's Texas Civil Statutes), is amended to read as  
5 follows:

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

10 (1) as the amount set aside for the Texas-bred program  
11 to be used as provided by Section 6.08(f-1) of this Act:

12 (A) an amount equal to one percent of each  
13 simulcast pool [~~as the amount set aside for the state~~];

14 (B) [~~(2)~~] an amount equal to 1.25 percent of each  
15 simulcast cross-species pool [~~as the amount set aside for the~~  
16 ~~state~~]; and

17 (C) [~~(3)~~] if the association is a horse racing  
18 association, an amount equal to one percent of a multiple two  
19 wagering pool or multiple three wagering pool [~~as the amount set~~  
20 ~~aside for the Texas-bred program to be used as provided by Section~~  
21 ~~6.08(f) of this Act~~];

22 (2) [~~(4)~~] if the association is a greyhound  
23 association, an amount equal to one percent of a multiple two  
24 wagering pool or a multiple three wagering pool as the amount set  
25 aside for the Texas-bred program for greyhound races, to be  
26 distributed and used in accordance with rules of the commission  
27 adopted to promote greyhound breeding in this state; and

1           (3) [~~(5)~~] the remainder as the amount set aside for  
2 purses, expenses, the sending association, and the receiving  
3 location pursuant to a contract approved by the commission between  
4 the sending association and the receiving location.

5           SECTION 4. Section 11.04(e), Texas Racing Act (Article  
6 179e, Vernon's Texas Civil Statutes), is amended to read as  
7 follows:

8           (e) An association that allows a machine in an enclosure as  
9 provided by Subsection (c) shall collect a fee of \$1 for each  
10 transaction under Subsection (c). The commission shall adopt rules  
11 providing for collection, reporting, and auditing of the  
12 transaction fee. The association shall forward the fee to the  
13 commission. The commission shall distribute the fees collected  
14 under this section in accordance with Section 6.08(f-1) of this Act  
15 [~~deposit the fee to the credit of the general revenue fund~~].

16           SECTION 5. Section 88.522(c), Education Code, is amended to  
17 read as follows:

18           (c) The comptroller shall periodically transfer the amounts  
19 specified by Sections 6.08(f-1) [~~6.08(f)~~] and (h), Texas Racing Act  
20 (Article 179e, Vernon's Texas Civil Statutes), to the account.

21           SECTION 6. Section 6.091(b), Texas Racing Act (Article  
22 179e, Vernon's Texas Civil Statutes), is repealed.

23           SECTION 7. The change in law made by this Act to Section  
24 12.020(r), Agriculture Code, applies to a penalty collected on or  
25 after the effective date of this Act, regardless of when the  
26 underlying conduct giving rise to the penalty occurred.

27           SECTION 8. (a) The changes in law made by this Act to

1 Sections 6.08 and 11.04(e), Texas Racing Act (Article 179e,  
2 Vernon's Texas Civil Statutes), apply to the deduction from a  
3 pari-mutuel pool for a race conducted by a racetrack association or  
4 a fee collected for an automatic banking machine transaction on or  
5 after the effective date of this Act.

6 (b) As soon as practicable after the effective date of this  
7 Act, the Texas Racing Commission shall revise existing rules or  
8 adopt new rules as necessary to comply with Sections 6.08, 6.091,  
9 and 11.04, Texas Racing Act (Article 179e, Vernon's Texas Civil  
10 Statutes), as amended by this Act.

11 SECTION 9. This Act takes effect September 1, 2017.