

By: Buckingham, et al.

S.B. No. 704

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Texas Racing Commission.

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

SECTION 1. Section 411.096(a), Government Code, is amended to read as follows:

(a) The Texas Racing Commission is entitled to obtain from the department criminal history record information maintained by the department that pertains to a person who is:

- (1) appointed to the commission;
- (2) an applicant for employment by the commission; or
- (3) an applicant for a license under Subtitle A-1, Title 13, Occupations Code (Texas Racing Act), including an occupational license described by Section 2025.251, Occupations Code.

SECTION 2. Section 2021.008(a), Occupations Code, is amended to read as follows:

(a) The commission is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, and except as provided by Subsections (b) and (c), the commission is abolished and this subtitle expires September 1, 2033 [~~2021~~].

SECTION 3. Subchapter A, Chapter 2022, Occupations Code, is amended by adding Section 2022.0001 to read as follows:

1        Sec. 2022.0001. AFFILIATION WITH OFFICE OF COMPTROLLER.

2        (a) The commission is administratively attached to the office of  
3        the comptroller, but the commission shall be independent of the  
4        office of the comptroller's direction.

5        (b) The comptroller shall provide administrative support  
6        services as necessary to assist the commission in performing the  
7        commission's duties.

8        SECTION 4. Section 2022.004(e), Occupations Code, is  
9        amended to read as follows:

10        (e) A person is not eligible for appointment as a commission  
11        member if the person:

12                (1) ~~[A person is not eligible for appointment as a~~  
13        ~~commission member if:~~

14                        ~~[(A)]~~ is licensed by the commission, except as a  
15        commissioner;

16                (2) ~~[(B)]~~ is employed by the commission or  
17        participates in the management of a business entity or other  
18        organization regulated by the commission or receiving funds from or  
19        through the commission;

20                (3) ~~[(C)]~~ owns or controls, directly or indirectly,  
21        more than a 10 percent interest in a business entity or other  
22        organization regulated by the commission or receiving funds from or  
23        through the commission; ~~[or]~~

24                (4) ~~[(D)]~~ uses or receives a substantial amount of  
25        tangible goods, services, or funds from or through the commission,  
26        other than compensation or reimbursement authorized by law for  
27        commission membership, attendance, or expenses; ~~[or]~~

1           (5) [~~(2)~~ ~~the person:~~

2                   [~~(A)~~] owns any financial interest in a racetrack  
3 or its operation or is related within the second degree by affinity  
4 or the third degree by consanguinity, as determined under  
5 Subchapter B, Chapter 573, Government Code, to a person who owns any  
6 financial interest in a racetrack or its operation; or

7           (6) [~~(B)~~] has been convicted of a felony or of any crime  
8 involving moral turpitude.

9           SECTION 5. Subchapter A, Chapter 2022, Occupations Code, is  
10 amended by adding Section 2022.0045 to read as follows:

11           Sec. 2022.0045. ELIGIBILITY OF PUBLIC MEMBERS. A person  
12 may not be a public member of the commission if the person or the  
13 person's spouse:

14                   (1) is registered, certified, or licensed by a  
15 regulatory agency in the field of horse racing, greyhound racing,  
16 or pari-mutuel wagering in connection with that racing;

17                   (2) is employed by or participates in the management  
18 of a business entity or other organization regulated by or  
19 receiving money from the commission;

20                   (3) owns or controls, directly or indirectly, more  
21 than a 10 percent interest in a business entity or other  
22 organization regulated by or receiving money from the commission;  
23 or

24                   (4) uses or receives a substantial amount of tangible  
25 goods, services, or money from the commission other than  
26 compensation or reimbursement authorized by law for commission  
27 membership, attendance, or expenses.

1 SECTION 6. Section 2022.006, Occupations Code, is amended  
2 to read as follows:

3 Sec. 2022.006. MEMBER TRAINING. (a) A [~~To be eligible to~~  
4 ~~take office as a commission member, a~~] person who is appointed to  
5 and qualifies for office as a member of the commission may not vote,  
6 deliberate, or be counted as a member in attendance at a meeting of  
7 the commission until the person completes [~~must complete at least~~  
8 ~~one course of~~] a training program that complies with this section.

9 (b) The training program must provide the person with  
10 information [~~to the person~~] regarding:

11 (1) the law governing [~~enabling legislation that~~  
12 ~~created the~~] commission operations;

13 (2) the programs, [operated by the commission,

14 [~~(3) the role and~~] functions, [of the commission,

15 [~~(4) commission~~] rules, and [~~with an emphasis on the~~

16 ~~rules that relate to disciplinary and investigatory authority,~~

17 [~~(5) the current~~] budget of [~~for~~] the commission;

18 (3) the scope of and limitations on the rulemaking

19 authority of the commission;

20 (4) [~~(6)~~] the results of the most recent formal audit

21 of the commission;

22 (5) [~~(7)~~] the requirements of:

23 (A) laws relating to open meetings, public

24 information, administrative procedure, and disclosing conflicts of

25 interest [~~Chapter 551, Government Code~~]; and

26 (B) other laws applicable to members of a state

27 policy-making body in performing their duties [~~Chapter 552,~~

1 ~~Government Code~~]; and

2 [~~(C) Chapter 2001, Government Code,~~

3 ~~(8) the requirements of the conflict of interest laws~~  
4 ~~and other laws relating to public officials, and]~~

5 (6) ~~(9)~~ any applicable ethics policies adopted by  
6 the commission or the Texas Ethics Commission.

7 (c) A person appointed to the commission is entitled to  
8 reimbursement, as provided by the General Appropriations Act, for  
9 the travel expenses incurred in attending the training program  
10 regardless of whether the attendance at the program occurs before  
11 or after [~~, as provided by the General Appropriations Act and as if]~~  
12 the person qualifies for office [~~were a commission member~~].

13 (d) The executive director shall create a training manual  
14 that includes the information required by Subsection (b). The  
15 executive director shall distribute a copy of the training manual  
16 annually to each member of the commission. Each member of the  
17 commission shall sign and submit to the executive director a  
18 statement acknowledging that the member received and has reviewed  
19 the training manual.

20 SECTION 7. Subchapter C, Chapter 2022, Occupations Code, is  
21 amended by adding Section 2022.1015 to read as follows:

22 Sec. 2022.1015. COMPLAINTS. (a) The commission shall  
23 maintain a system to promptly and efficiently act on complaints  
24 filed with the commission. The commission shall maintain  
25 information about parties to the complaint, the subject matter of  
26 the complaint, a summary of the results of the review or  
27 investigation of the complaint, and its disposition.

1        (b) The commission shall make information available  
2 describing its procedures for complaint investigation and  
3 resolution.

4        (c) The commission shall periodically notify the complaint  
5 parties of the status of the complaint until final disposition  
6 unless the notice would jeopardize an investigation.

7        SECTION 8. Section 2023.053(f), Occupations Code, is  
8 amended to read as follows:

9        (f) This section does not apply to:

10        (1) money deposited into the Texas-bred incentive fund  
11 established under Section 2028.301; or

12        (2) an administrative penalty remitted to the  
13 comptroller for deposit in the general revenue fund under Section  
14 2033.058.

15        SECTION 9. Section 2023.057, Occupations Code, is amended  
16 to read as follows:

17        Sec. 2023.057. ACCESS TO CRIMINAL HISTORY RECORDS. The  
18 commission may obtain criminal history record information that  
19 relates to each applicant for employment by the commission and to  
20 each applicant for a license issued by the commission, including an  
21 occupational license described by Section 2025.251(c), and that is  
22 maintained by the Department of Public Safety or the Federal Bureau  
23 of Investigation Identification Division. The commission may  
24 refuse to recommend an applicant who fails to provide a complete set  
25 of fingerprints.

26        SECTION 10. Section 2025.101(e), Occupations Code, is  
27 amended to read as follows:

1           (e) Subsections (c) and (d) and Section 2025.201(a)(11)  
2 [~~2025.201(a)(12)~~] do not apply to an applicant for or the holder of  
3 a racetrack license if the applicant, the license holder, or the  
4 license holder's parent company is a publicly traded company.

5           SECTION 11. Section 2025.201(a), Occupations Code, is  
6 amended to read as follows:

7           (a) The commission may refuse to issue a racetrack license  
8 or may revoke or suspend a license if, after notice and hearing, the  
9 commission finds that the applicant or license holder, as  
10 appropriate:

11               (1) has been convicted of a violation of this subtitle  
12 or a commission rule, or has aided, abetted, or conspired to commit  
13 a violation of this subtitle or a commission rule;

14               (2) has been convicted of a felony or a crime involving  
15 moral turpitude, including a conviction for which the punishment  
16 received was a suspended sentence, probation, or a nonadjudicated  
17 conviction, that is reasonably related to the person's present  
18 fitness to hold a license under this subtitle;

19               (3) has violated or has caused to be violated this  
20 subtitle or a commission rule in a manner that involves moral  
21 turpitude, as distinguished from a technical violation of this  
22 subtitle or a rule;

23               (4) is unqualified, by experience or otherwise, to  
24 perform the duties required of a license holder under this  
25 subtitle;

26               (5) failed to answer or falsely or incorrectly  
27 answered a question in an application;

1 (6) fails to disclose the true ownership or interest  
2 in a horse or greyhound as required by commission rules;

3 (7) is indebted to this state for any fee or for the  
4 payment of a penalty imposed by this subtitle or a commission rule;

5 (8) has developed an incapacity that prevents or could  
6 prevent the applicant or license holder from conducting the  
7 applicant's or license holder's business with reasonable skill and  
8 competence and in a manner that does not endanger public safety [~~is~~  
9 ~~not of good moral character or the person's reputation as a~~  
10 ~~peaceable, law-abiding citizen in the community where the person~~  
11 ~~resides is bad~~];

12 (9) is not at least the minimum age necessary to  
13 purchase alcoholic beverages in this state;

14 (10) [~~is in the habit of using alcoholic beverages to~~  
15 ~~an excess or uses a controlled substance as defined by Chapter 481,~~  
16 ~~Health and Safety Code, or a dangerous drug as defined in Chapter~~  
17 ~~483, Health and Safety Code, or is mentally incapacitated,~~

18 [~~(11)~~] may be excluded from an enclosure under this  
19 subtitle;

20 (11) [~~(12)~~] has not been a United States citizen  
21 residing in this state for the 10 consecutive years preceding the  
22 filing of the application;

23 (12) [~~(13)~~] has improperly used a credential,  
24 including a license certificate or identification card, issued  
25 under this subtitle;

26 (13) [~~(14)~~] resides with a person whose license was  
27 revoked for cause during the 12 months preceding the date of the



1 present application;

2           (14) [~~(15)~~] has failed or refused to furnish a true  
3 copy of the application to the commission's district office in the  
4 district in which the premises for which the license is sought are  
5 located;

6           (15) [~~(16)~~] is engaged or has engaged in activities or  
7 practices the commission determines are detrimental to the best  
8 interests of the public and the sport of horse racing or greyhound  
9 racing; or

10           (16) [~~(17)~~] fails to fully disclose the true owners of  
11 all interests, beneficial or otherwise, in a proposed racetrack.

12           SECTION 12. Section [2025.251](#), Occupations Code, is amended  
13 by adding Subsection (c) to read as follows:

14           (c) The commission by rule may require the following persons  
15 to hold an occupational license under this subtitle:

- 16           (1) an adoption program employee;
- 17           (2) an announcer;
- 18           (3) an apprentice jockey;
- 19           (4) an assistant farrier, plater, or blacksmith;
- 20           (5) an assistant starter;
- 21           (6) an assistant trainer;
- 22           (7) an assistant trainer/owner;
- 23           (8) an association assistant management employee;
- 24           (9) an association management employee;
- 25           (10) an association officer or director;
- 26           (11) an association staff employee;
- 27           (12) an association employee other than an employee

- 1 described in this subsection;  
2           (13) an association veterinarian;  
3           (14) an authorized agent;  
4           (15) a chaplain;  
5           (16) a chaplain assistant;  
6           (17) an equine dental provider;  
7           (18) an exercise rider;  
8           (19) a farrier, plater, or blacksmith;  
9           (20) a groom/exercise rider;  
10           (21) a groom/hot walker;  
11           (22) a groom/pony person;  
12           (23) a jockey;  
13           (24) a jockey agent;  
14           (25) a kennel helper;  
15           (26) a kennel owner;  
16           (27) a kennel owner/owner;  
17           (28) a kennel owner/owner/trainer;  
18           (29) a kennel owner/trainer;  
19           (30) a kennel registration employee;  
20           (31) a lead-out;  
21           (32) a maintenance employee;  
22           (33) a medical employee;  
23           (34) miscellaneous racetrack employees;  
24           (35) a multiple owner/stable/farm registration  
25 employee;  
26           (36) a mutuel clerk;  
27           (37) a mutuel employee other than a clerk;

- 1           (38) an owner;
- 2           (39) an owner-trainer;
- 3           (40) a pony person;
- 4           (41) a racing industry representative;
- 5           (42) a racing industry employee;
- 6           (43) a racing official;
- 7           (44) a security officer;
- 8           (45) a stable foreman;
- 9           (46) a tattooer;
- 10          (47) a test technician;
- 11          (48) a trainer;
- 12          (49) a training facility employee;
- 13          (50) a training facility general manager;
- 14          (51) a valet;
- 15          (52) a vendor concessionaire;
- 16          (53) a vendor concessionaire employee;
- 17          (54) a vendor-totalisator company;
- 18          (55) a vendor-totalisator employee;
- 19          (56) a veterinarian; and
- 20          (57) a veterinarian assistant.

21           SECTION 13. Section [2025.262](#), Occupations Code, is amended  
22 to read as follows:

23           Sec. 2025.262. GROUNDS FOR DENIAL, REVOCATION, AND  
24 SUSPENSION OF OCCUPATIONAL LICENSE. The commission may refuse to  
25 issue any original or renewal license under this subchapter or may  
26 revoke or suspend the license if, after notice and hearing, the  
27 commission finds that the applicant or license holder, as

1 appropriate:

2 (1) has been convicted of a violation of this subtitle  
3 or a commission rule or has aided, abetted, or conspired to commit a  
4 violation of this subtitle or a commission rule;

5 (2) has been convicted of a felony or a crime involving  
6 moral turpitude that is reasonably related to the person's present  
7 fitness to hold a license under this subtitle;

8 (3) has violated or has caused to be violated this  
9 subtitle or a commission rule in a manner that involves moral  
10 turpitude, as distinguished from a technical violation of this  
11 subtitle or a rule;

12 (4) is unqualified, by experience or otherwise, to  
13 perform the duties required of a license holder under this  
14 subtitle;

15 (5) failed to answer or has falsely or incorrectly  
16 answered a question in an original or renewal application;

17 (6) fails to disclose the true ownership or interest  
18 in a horse or greyhound as required by commission rules;

19 (7) is indebted to this state for any fee or for the  
20 payment of a penalty imposed by this subtitle or a commission rule;

21 (8) has developed an incapacity that prevents or could  
22 prevent the applicant or license holder from conducting the  
23 applicant's or license holder's business with reasonable skill and  
24 competence and in a manner that does not endanger public safety [~~is~~  
25 ~~not of good moral character or the person's reputation as a~~  
26 ~~peaceable, law-abiding citizen in the community where the person~~  
27 ~~resides is bad~~];

1           (9) ~~[is in the habit of using alcoholic beverages to an~~  
2 ~~excess or uses a controlled substance as defined in Chapter 481,~~  
3 ~~Health and Safety Code, or a dangerous drug as defined in Chapter~~  
4 ~~483, Health and Safety Code, or is mentally incapacitated,~~

5           ~~(10)~~ may be excluded from an enclosure under this  
6 subtitle;

7           (10) ~~(11)~~ has improperly used a temporary pass,  
8 license certificate, credential, or identification card issued  
9 under this subtitle;

10          (11) ~~(12)~~ resides with a person whose license was  
11 revoked for cause during the 12 months preceding the date of the  
12 present application;

13          (12) ~~(13)~~ has failed or refused to furnish a true  
14 copy of the application to the commission's district office in the  
15 district in which the premises for which the license is sought are  
16 located; or

17          (13) ~~(14)~~ is engaged or has engaged in activities or  
18 practices that are detrimental to the best interests of the public  
19 and the sport of horse racing or greyhound racing.

20          SECTION 14. Section 2028.201, Occupations Code, is amended  
21 to read as follows:

22          Sec. 2028.201. RULES. (a) The commission shall adopt  
23 rules relating to this subchapter and the oversight of the amounts  
24 allocated under Sections 2028.202(b)(1), (2), and (3)  
25 ~~[2028.202(b)]~~ and (c).

26          (b) The comptroller shall adopt rules relating to the  
27 oversight of the amounts allocated under Section 2028.202(b)(4).

1 SECTION 15. Section [2028.202\(b\)](#), Occupations Code, is  
2 amended to read as follows:

3 (b) From the total amount deducted under Subsection (a), a  
4 greyhound racetrack association that receives an interstate  
5 cross-species simulcast signal shall distribute the following  
6 amounts from each pari-mutuel pool wagered on the signal at the  
7 racetrack:

8 (1) a fee of 1.5 percent to be paid to the racetrack in  
9 this state sending the signal;

10 (2) a purse in the amount of 0.75 percent to be paid to  
11 the official state horse breed registry for Thoroughbred horses for  
12 use as purses at racetracks in this state;

13 (3) a purse in the amount of 0.75 percent to be paid to  
14 the official state horse breed registry for quarter horses for use  
15 as purses at racetracks in this state; and

16 (4) a purse of 4.5 percent to be deposited in the horse  
17 industry escrow account as [~~escrowed with the commission in the~~  
18 ~~manner~~] provided by Section [2028.204](#).

19 SECTION 16. Section [2028.203](#), Occupations Code, is amended  
20 to read as follows:

21 Sec. 2028.203. REIMBURSEMENT FOR SIMULCAST SIGNAL COST. If  
22 a racetrack association purchases an interstate simulcast signal  
23 and the signal cost exceeds five percent of the pari-mutuel pool,  
24 the comptroller [~~commission~~], from the horse industry escrow  
25 [~~escrowed~~] account established under Section [2028.204](#)  
26 [~~2028.202(b)(4)~~], shall reimburse the racetrack association an  
27 amount equal to one-half of the signal cost that exceeds five

1 percent of the pari-mutuel pool.

2 SECTION 17. Section 2028.204, Occupations Code, is amended  
3 to read as follows:

4 Sec. 2028.204. HORSE INDUSTRY ESCROW ACCOUNT; DEPOSIT AND  
5 ALLOCATION OF MONEY [IN ESCROW ACCOUNTS]. (a) The horse industry  
6 escrow account is a trust account administered by the comptroller  
7 and composed of money deposited to the account in accordance with  
8 this subtitle.

9 (b) A greyhound racetrack association shall deposit into  
10 the horse industry [an] escrow account [~~in the commission's~~  
11 ~~registry~~] the purse set aside under Section 2028.202(b)(4).

12 (c) [~~(b)~~] Any horse racetrack association in this state may  
13 apply to the comptroller [~~commission~~] for receipt of money in the  
14 horse industry escrow account for use as purses. Any state horse  
15 breed registry listed in Section 2030.002(a) may apply for receipt  
16 of money in the account for any event that furthers the horse  
17 industry. The comptroller [~~commission~~]:

18 (1) shall determine the horse racetrack associations  
19 and state horse breed registries to be allocated money from the  
20 account and the percentages to be allocated, taking into  
21 consideration purse levels, racing opportunities, and the  
22 financial status of the requesting racetrack association or  
23 requesting breed registry; and

24 (2) may not annually allocate more than 70 percent of  
25 the amount deposited into the account to horse racetrack  
26 associations for use as purses.

27 SECTION 18. Section 2028.2041, Occupations Code, is amended

1 to read as follows:

2           Sec. 2028.2041. ALLOCATION OF CERTAIN FUNDS IN HORSE  
3 INDUSTRY ESCROW ACCOUNT TO GENERAL REVENUE FUND; MAXIMUM ACCOUNT  
4 BALANCE. (a) In each state fiscal biennium, the comptroller shall  
5 deposit the amounts allocated under Section 151.801(c-3), Tax Code,  
6 into the horse industry escrow account established under Section  
7 2028.204 [~~2028.204(b)~~], until the comptroller determines the  
8 amount deposited into the account in that fiscal biennium equals  
9 the greater of:

10                   (1) the amount appropriated to the comptroller  
11 [~~commission~~] for the purposes of Section 2028.204 for that fiscal  
12 biennium; or

13                   (2) \$50 million.

14           (b) Once the comptroller determines the greater of the  
15 amount described by Subsection (a)(1) or (2) has been deposited  
16 during a state fiscal biennium into the horse industry escrow  
17 account established under Section 2028.204 [~~2028.204(b)~~], for the  
18 remainder of that fiscal biennium the comptroller shall deposit the  
19 amounts allocated under Section 151.801(c-3), Tax Code, into the  
20 general revenue fund.

21           (c) The balance of the horse industry escrow account  
22 established under Section 2028.204 [~~2028.204(b)~~] shall not exceed  
23 \$50 million.

24           SECTION 19. Section 2028.205, Occupations Code, is amended  
25 to read as follows:

26           Sec. 2028.205. ADDITIONAL ALLOCATIONS FROM HORSE INDUSTRY  
27 ESCROW ACCOUNT FOR CERTAIN RACETRACKS. (a) In addition to money



1 allocated under Section [2028.204](#), a horse racetrack association  
2 operating a racetrack that is located not more than 75 miles from a  
3 greyhound racetrack that offers wagering on a cross-species  
4 simulcast signal and that sends the cross-species simulcast signal  
5 to the greyhound racetrack may apply to the comptroller  
6 [~~commission~~] for an allocation of up to 20 percent of the money in  
7 the horse industry escrow [~~escrowed~~] account established under  
8 Section [2028.204](#) that is attributable to the wagering on a  
9 cross-species simulcast signal at the greyhound racetrack.

10 (b) If the applying horse racetrack association can prove to  
11 the comptroller's [~~commission's~~] satisfaction that the racetrack  
12 association's handle has decreased directly due to wagering on an  
13 interstate cross-species simulcast signal at a greyhound racetrack  
14 located not more than 75 miles from the applying racetrack  
15 association, the comptroller [~~commission~~] shall allocate amounts  
16 from the horse industry escrow [~~escrowed~~] account as the  
17 comptroller [~~commission~~] considers appropriate to compensate the  
18 racetrack association for the decrease. The amounts allocated may  
19 not exceed 20 percent of the money in the [~~escrowed~~] account that is  
20 attributable to the wagering on the interstate cross-species  
21 simulcast signal at the greyhound racetrack.

22 (c) Money allocated by the comptroller [~~commission~~] under  
23 this section may be used by the racetrack association for any  
24 purpose.

25 SECTION 20. Section [2031.004](#)(e), Occupations Code, is  
26 amended to read as follows:

27 (e) The commission may not:

1           (1) use funds from the accredited Texas-bred program  
2 under Subchapter A, Chapter 2030, or the horse industry escrow  
3 [~~escrowed purse~~] account established under Section 2028.204 to fund  
4 the Texas Derby escrow purse fund; or

5           (2) order a state horse breed registry to fund a purse  
6 for a Texas Derby, make contributions to the Texas Derby escrow  
7 purse fund, or pay the expenses of a Texas Derby race.

8           SECTION 21. Subchapter B, Chapter 2033, Occupations Code,  
9 is amended by adding Section 2033.058 to read as follows:

10           Sec. 2033.058. DISPOSITION OF ADMINISTRATIVE PENALTY. The  
11 commission shall remit an administrative penalty collected under  
12 this subtitle to the comptroller for deposit in the general revenue  
13 fund.

14           SECTION 22. Section 151.801(c-3), Tax Code, is amended to  
15 read as follows:

16           (c-3) Subject to the limitation imposed under Section  
17 2028.2041, Occupations Code, an amount equal to the proceeds from  
18 the collection of the taxes imposed by this chapter on the sale,  
19 storage, or use of horse feed, horse supplements, horse tack, horse  
20 bedding and grooming supplies, and other taxable expenditures  
21 directly related to horse ownership, riding, or boarding shall be  
22 deposited to the credit of the horse industry escrow account  
23 administered by the comptroller [~~Texas Racing Commission~~] and  
24 established under Section 2028.204, Occupations Code.

25           SECTION 23. The following provisions of the Occupations  
26 Code are repealed:

27           (1) Sections 2022.102(b), (c), and (d); and

1           (2) Section 2025.258(b).

2           SECTION 24. Section 2022.0045, Occupations Code, as added  
3 by this Act, does not affect the entitlement of a member serving on  
4 the Texas Racing Commission immediately before the effective date  
5 of this Act to continue to serve for the remainder of the member's  
6 term. As the terms of board members expire, the governor shall  
7 appoint or reappoint members who have the qualifications required  
8 for members under Subchapter A, Chapter 2022, Occupations Code, as  
9 amended by this Act.

10          SECTION 25. (a) Except as provided by Subsection (b) of  
11 this section, Section 2022.006, Occupations Code, as amended by  
12 this Act, applies to a member of the board of the Texas Racing  
13 Commission who is appointed before, on, or after the effective date  
14 of this Act.

15          (b) A member of the Texas Racing Commission who, before the  
16 effective date of this Act, completed the training program required  
17 by Section 2022.006, Occupations Code, as that law existed before  
18 the effective date of this Act, is required to complete additional  
19 training only on subjects added to the training program under  
20 Section 2022.006, Occupations Code, as amended by this Act. A  
21 commission member described by this subsection may not vote,  
22 deliberate, or be counted as a member in attendance at a meeting of  
23 the commission held on or after December 1, 2021, until the member  
24 completes the additional training.

25          SECTION 26. The changes in law made by this Act apply to  
26 revenue received from the imposition of an administrative penalty  
27 on or after the effective date of this Act, regardless of whether

1 the penalty was imposed before, on, or after the effective date of  
2 this Act.

3 SECTION 27. Not later than March 1, 2022, the comptroller  
4 shall adopt rules necessary to implement Section [2028.202\(b\)\(4\)](#),  
5 Occupations Code, as amended by this Act.

6 SECTION 28. This Act takes effect September 1, 2021.