OCCUPATIONS CODE

TITLE 13. SPORTS, AMUSEMENTS, AND ENTERTAINMENT SUBTITLE A-1. TEXAS RACING ACT CHAPTER 2021. GENERAL PROVISIONS

Sec. 2021.001. SHORT TITLE. This subtitle may be cited as the Texas Racing Act. Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.002. PURPOSE. The purpose of this subtitle is to provide for the strict regulation of horse racing and greyhound racing and the control of pari-mutuel wagering in connection with that racing.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.003. GENERAL DEFINITIONS. In this subtitle:

(1) "Accredited Texas-bred horse" means a Texas-bred horse that meets the accreditation requirements of the state horse breed registry for that breed of horse.

(2) "Active license" means a racetrack license designated by the commission as active.

(3) "Appaloosa horse" means a horse that is registered by the Appaloosa Horse Club.

(4) "Applicant" means a person with a legal,equitable, or beneficial interest in a license application.

(5) "Arabian horse" means a horse that is registered by the Arabian Horse Association or by the Canadian Arabian Horse Registry.

(6) "Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds a multiple of 10 cents, except in a minus pool, in which the breakage must be in multiples of five cents.

(7) "Child" means an individual younger than 16 years
of age.

(8) "Commission" means the Texas Racing Commission.

(9) "Concessionaire" means a person licensed by the commission to sell refreshments or souvenirs at a racetrack.

(10) "Contraband" means:

(A) an item the possession of which is unlawful under this subtitle, a commission rule, or other law;

(B) an item that might reasonably have the effect of unnaturally depressing, stimulating, or exciting an animal during a race in a manner contrary to this subtitle or a commission rule, including a prohibited device or prohibited substance; or

(C) a document, including a credential or forged ticket, possessed or used by an individual in violation of this subtitle or a commission rule.

(11) "Credential" means any document indicating authority or permission under this subtitle, including a license, certificate, and identification card.

(12) "Cross-species simulcast signal" means a simulcast signal of a horse race at a greyhound racetrack or a simulcast signal of a greyhound race at a horse racetrack.

(13) "Enclosure" means all areas of a racetrack association's grounds, including the parking area, to which admission is ordinarily obtained only on payment of an admission fee or presentation of an official credential.

(14) "Executive director" means the executive director of the commission.

(15) "Greyhound" means a purebred greyhound dog registered by the National Greyhound Association.

(16) "Greyhound racing" means any race in which two or more greyhounds engage in a contest of speed or endurance or pursue a mechanical lure.

(17) "Greyhound racing day" means a day on which a racetrack association conducts greyhound racing. "One racing day" means a period beginning at noon and ending at 2 a.m. the next calendar day, other than a day on which a matinee performance is conducted.

(18) "Horse race meeting" means the conducting of horse races on a day or during a period of consecutive or nonconsecutive days.

(19) "Horse racing day" means the 24-hour period ending at 12 midnight.

(20) "Horsemen's organization" means an organization recognized by the commission that:

 (A) represents horse owners and trainers in negotiating and contracting with racetrack associations on subjects relating to racing; and

(B) represents and advocates the interests of horse owners and trainers before administrative, legislative, and judicial forums.

(21) "Inactive license" means a racetrack license designated by the commission as inactive.

(22) "Judge" means a racing official with general authority and supervision over:

(A) the conduct of a greyhound race meeting; and

(B) all license holders at a racetrack during a greyhound race meeting.

(23) "Live pari-mutuel pool" means the total amount of money wagered by patrons on the result of a particular live race or combination of live races within the enclosure of the racetrack association where the race is being run.

(24) "Maiden" means a horse that has never won a race at a race meeting authorized by the commission or by another racing jurisdiction.

(25) "Matinee performance" means any performance starting between 10 a.m. and 5 p.m. on a day other than Sunday.

(26) "Minor" means an individual younger than 21 years of age.

(27) "Multiple wagering" means wagering on two or more animals in one race or on one or more animals in more than one race. "Multiple two wagering" means wagering on two animals in one or more races. "Multiple three wagering" means wagering on three or more animals in one or more races.

(28) "National historic district" means a district included in or eligible for inclusion in the National Register of Historic Places under 54 U.S.C. Section 302101 et seq.

(29) "Nonprofit corporation" means a nonprofit

corporation governed by Chapter 22, Business Organizations Code, that:

(A) does not distribute any of its income to its members, officers, or governing body, other than as reasonable compensation for services;

(B) has a governing body or officers elected by a vote of members or by a vote of delegates elected by the members; and

(C) has obtained an exemption under Section 501 of the Internal Revenue Code of 1986.

(30) "Outstanding ticket" means a pari-mutuel ticket not presented for payment before the end of the horse racing day or greyhound racing day for which the ticket was purchased.

(31) "Paint horse" means a horse that is registered by the American Paint Horse Association.

(32) "Pari-mutuel pool" means the total amount of money wagered by patrons on the result of a particular race or combination of races, divided into separate mutuel pools for win, place, show, or combinations.

(33) "Pari-mutuel voucher" means a bearer instrument, issued by a pari-mutuel wagering machine, that represents money owned by a wagering patron and held by a racetrack association, including winnings from a pari-mutuel wager.

(34) "Pari-mutuel wagering" means the form of wagering on the outcome of horse racing or greyhound racing in which persons who wager purchase tickets of various denominations on an animal or animals and all wagers for each race are pooled and held by the racetrack association for distribution of the total amount, less the deductions authorized by this subtitle, to holders of tickets on the winning animals.

(35) "Performance" means the consecutive running of a specified number of greyhound races as determined by the commission.

(36) "Person" includes any individual or entity capable of holding a legal or beneficial interest in property.

(37) "Prohibited device" means:

(A) a spur or an electrical or other device

prohibited by a commission rule regulating the unlawful influence of a race; or

(B) a device specifically designed, made, or adapted to influence or affect the outcome of a race in a manner contrary to this subtitle or a commission rule.

(38) "Prohibited substance" means a drug, chemical, or other substance that:

(A) in use or in intended use, is reasonably capable of influencing or affecting the outcome of a race in a manner contrary to this subtitle or a commission rule; and

(B) is prohibited by a commission rule regulating the unlawful influence of a race.

(39) "Quarter horse" means a horse that is registered by the American Quarter Horse Association.

(40) "Race" includes a live audio and visual signal of a race.

(41) "Racetrack" means a facility licensed under this subtitle for the conduct of pari-mutuel wagering on horse racing or greyhound racing.

(42) "Racetrack association" means a person licensed under this subtitle to conduct a horse race meeting or a greyhound race meeting with pari-mutuel wagering.

(43) "Receiving location" means a racetrack association in this state that has been allocated live and simulcast race dates or a facility not located in this state that is authorized to conduct wagering under the law of the jurisdiction in which it is located.

(44) "Regular wagering" means wagering on a single horse or greyhound in a single race. The term includes wagering on the win pool, the place pool, or the show pool.

(45) "Sending track" means any licensed track for horse or greyhound racing in this state or another state from which a race is transmitted.

(46) "Simulcast" means the telecast or other transmission of live audio and visual signals of a race, transmitted from a sending track to a receiving location, for the purpose of wagering conducted on the race at the receiving

location.

(47) "Simulcast pari-mutuel pool" means the total amount of money wagered by patrons at a racetrack in this state on the result of a particular simulcast race or combination of simulcast races.

(48) "State horse breed registry" means a designated association administering accredited Texas-bred horse requirements for a specific breed of horses.

(49) "Steward" means a racing official with general authority and supervision over:

(A) the conduct of a horse race meeting; and

(B) all license holders at a racetrack during a horse race meeting.

(50) "Texas-bred horse" means a horse qualified under commission rules that is:

(A) sired by a stallion standing in Texas at the time of conception and foaled by a mare in Texas;

(B) foaled by a mare bred outside Texas and brought into Texas to foal at any time in the mare's lifetime if the mare is bred back to a stallion standing in Texas; or

(C) a Thoroughbred or Arabian horse foaled in Texas by an accredited Texas-bred mare if the mare was bred outside Texas and returned to Texas on or before August 15 of the calendar year of conception.

(51) "Thoroughbred horse" means a horse that is registered by the Jockey Club.

(52) "Thoroughbred racing" means the form of horse racing in which Thoroughbred horses mounted by jockeys engage in a race.

(53) "Touting" means an offense described by Section 2033.013 or a similar offense under the laws of another state.

(54) "Trainer" means a person who is licensed by the commission to train horses or greyhounds.

(55) "Veterinarian" means a person licensed under Chapter 801.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.004. DEFINITIONS USED IN ADMINISTERING SUBTITLE. For the purpose of administering this subtitle:

(1) "Authorized agent" means a person appointed by an owner of a horse to represent the owner. The term is limited to a person who is appointed by a written instrument that the commission acknowledges and approves.

(2) "Clerk of scales" means a racetrack official who is responsible for weighing a jockey before and after a race.

(3) "Handicapper" means a person who predicts the winner of a horse race.

(4) "Horseshoe inspector" means a racetrack official who inspects the shoes of the horses entered in a race.

(5) "Jockey" or "apprentice jockey" means a professional rider licensed by the commission to ride in horse races.

(6) "Jockey room custodian" means a person who maintains the premises of a room in which jockeys prepare for a race.

(7) "Official starter" means a racetrack official who is in charge of the start of a race.

(8) "Paddock judge" means a racetrack official who supervises animals entered in a race while the animals are assembled before the beginning of a race in an enclosure on the grounds of a racetrack.

(9) "Patrol judge" means a racetrack official who is stationed at a set point along the racetrack to monitor the running of a race.

(10) "Quarter horse racing" means the form of horse racing in which quarter horses mounted by jockeys engage in a race.

(11) "Stable foreman" means the person in charge of the building in which horses are lodged and fed.

(12) "Timer" means a racetrack official who times the running of a race.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.005. PRECEDENCE OF SUIT UNDER TITLE. A court shall accelerate the disposition of an action brought under this subtitle.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.006. RELEASE OF CIVIL LIABILITY. A commission member, a commission employee, a steward or judge, a racetrack association, a horsemen's organization, or any other person regulated under this subtitle is not liable for a cause of action that arises out of that person's performance or exercise of discretion in the implementation or enforcement of this subtitle or a rule adopted under this subtitle if the person has acted in good faith.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.007. FEE OR PAYMENT IN LIEU OF OTHER STATE TAXES AND FEES. (a) A fee or payment collected by this state under this subtitle is in lieu of any other fee, payment, or tax imposed by this state.

(b) This section does not preclude the application of:

(1) the sales tax or an increase in the sales tax to the sale or purchase of a taxable item by a person licensed under this subtitle; or

(2) the franchise tax to a person licensed under this subtitle.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Sec. 2021.008. SUNSET PROVISION. (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, 2029.

(a-1) As part of the review under Subsection (a), the Sunset Advisory Commission shall review:

(1) the impact on the commission of authorizing the executive director to apply for and receive grants to implement or enforce this subtitle;

(2) the effect of increasing the amount of unappropriated money remaining in the Texas Racing Commission fund at the close of each state fiscal biennium that is transferred to the general revenue fund;

(3) the effect of complying with Chapter 53 in the administration of the commission's licensing program;

(4) the effect of requiring reimbursement of general revenue appropriated to the commission for the administration and enforcement of this subtitle that exceeds the cumulative amount deposited in the Texas Racing Commission fund; and

(5) the commission's authority to issue a temporary license to an applicant whose application appears to comply with the requirements of law.

(b) If, at the time the commission would be abolished under Subsection (a), a racetrack association has outstanding long-term liabilities:

(1) the racetrack association may continue to operate for a period not to exceed one year after those liabilities are satisfied; and

(2) the commission and this subtitle are continued in effect for the purpose of regulating that racetrack association under this subtitle.

(c) If the commission and this subtitle are continued in effect under Subsection (b), the commission is abolished and this subtitle expires on the first day of the state fiscal year following the state fiscal year in which the commission certifies to the secretary of state that no racetrack associations are operating under the terms of Subsection (b).

(d) A racetrack association that continues to operate underSubsection (b) may not incur any new liability without commissionapproval. At the beginning of that period, the commission shall:

(1) review the outstanding liabilities of the racetrack association; and

(2) set a specific date by which the racetrack

association must retire its outstanding liabilities.

(e) Notwithstanding any contrary contract provision, a racetrack association may prepay any debt incurred by the racetrack association in conducting racing under this subtitle.

Added by Acts 2017, 85th Leg., R.S., Ch. 963 (S.B. 1969), Sec. 1.01, eff. April 1, 2019.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. 619), Sec. 1.04, eff. June 10, 2019.

Acts 2021, 87th Leg., R.S., Ch. 850 (S.B. 713), Sec. 3.04(a), eff. June 16, 2021.

Acts 2023, 88th Leg., R.S., Ch. 1120 (H.B. 1620), Sec. 5, eff. September 1, 2023.

Sec. 2021.009. PROHIBITED USE OF STATE APPROPRIATED FUNDS. This subtitle prohibits the use of state appropriated funds for capital improvements to racetracks or for interest payments on such facilities except for racetracks that were publicly owned on September 1, 1986.

Added by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 18.003(a), eff. September 1, 2019.