

BILL ANALYSIS

Senate Research Center
86R8853 ADM-F

H.B. 1995
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Water & Rural Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Racing Commission (TRC) regulates all aspects of the pari-mutuel racing industry including strict oversight of wagering and the conduct of live and simulcast racing. Under the Texas Racing Act, a portion of the wagering pools on simulcast races is set aside for the state. A simulcast race is one that is broadcast from one track with betting occurring at another track. Tracks may present simulcast races, allowing bettors at one track to one percent or 1.25 percent bet on races televised from another track, as approved by TRC. Depending on the type of race, of each betting pool is set aside for the state and deposited in the general revenue fund. The current statutory method of agency funding places an increasing burden on the industry and TRC's ability to regulate horse and greyhound racing.

H.B. 1995 redirects the one percent deducted from simulcast pari-mutuel pools and the 1.25 percent deducted from simulcast cross-species pari-mutuel pools that currently is set aside for the state to TRC's General Revenue Dedicated Account for its administration. H.B. 1995 improves the ability of TRC to maintain its regulatory efforts, provide more stability to the industry, and reduce any perceived conflict arising from TRC's reliance on its licensees for funding.

H.B. 1995 amends current law relating to the distribution to the Texas Racing Commission of certain money deducted from simulcast pari-mutuel pools.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Racing Commission in SECTION 2 Occupations Code, of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2028.202(a), Occupations Code, as follows:

(a) Requires a racetrack association to distribute from the total amount deducted as provided by Sections 2028.101 and 2028.152 from each simulcast pari-mutuel pool and each simulcast cross-species pari-mutuel pool the following shares:

(1) an amount equal to one percent of each simulcast pari-mutuel pool to the Texas Racing Commission (TRC) for the administration of this subtitle (Texas Racing Act), rather than an amount equal to one percent of each simulcast pari-mutuel pool as the amount set aside for this state;

(2) an amount equal to 1.25 percent of each simulcast cross-species pari-mutuel pool to TRC for the administration of this subtitle, rather than as the amount set aside for this state; and

(3)–(5) makes no changes to these subdivisions

SECTION 2. (a) Makes application of this Act prospective.

(b) Requires TRC, as soon as practicable after the effective date of this Act, to revise existing rules or adopt new rules as necessary to comply with Section 2028.202(a), Occupations Code, as amended by this Act.

SECTION 3. Effective date: September 1, 2019.