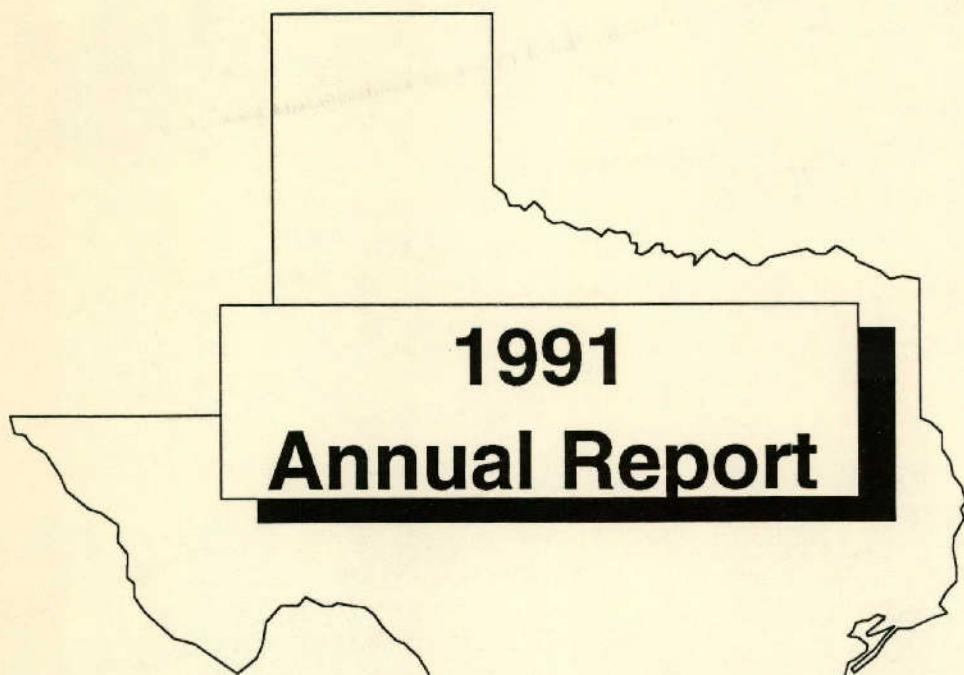


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Texas Racing Commission



1991 Annual Report

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TEXAS RACING COMMISSION
9420 Research Blvd.
Echelon Building III, Suite 200
Austin, Texas 78759
512 794-8461

Mailing Address:

TEXAS RACING COMMISSION
P. O. Box 12080
Austin, Texas 78711-2080

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TEXAS RACING COMMISSION
1991 ANNUAL REPORT
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THE HONORABLE ANN W. RICHARDS
GOVERNOR OF TEXAS





TEXAS RACING COMMISSION

P. O. BOX 12080
AUSTIN, TEXAS 78711-2080
(512) 794-8461
FAX (512) 794-8478

January 31, 1992

The Honorable Ann W. Richards
Governor of the State of Texas
State Capitol, Room 200
Austin, Texas 78711

Dear Governor Richards:

On behalf of the Texas Racing Commission, I am pleased to submit the Annual Report of the Texas Racing Commission in accordance with Section 3.10 of the Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes).

The report covers the Commission's activities for the twelve month period from January 1, 1991 to December 31, 1991, inclusive.

The Texas Racing Commission and the pari-mutuel racing industry in Texas realized monumental changes during 1991. Licenses were issued to two applicants to own and operate Class 1 racing facilities. Substantial changes were made to the Texas Racing Act which will have profound positive impact for racetrack operators, horse and greyhound breeders and owners, and will serve to stimulate economic development and tourism. The positive steps were in no small measure a result of your vision and leadership and the courage of the Texas Legislature. The Texas Racing Commission is prepared to meet the challenges ahead and to develop the programs which have been placed before it.

The Commission is dedicated to working with you and your staff to improve pari-mutuel racing in Texas and to serving the people of Texas with the highest level of honesty and integrity.

Very truly yours,


Pat Pangburn
Chair



TEXAS RACING COMMISSION

P. O. BOX 12080
AUSTIN, TEXAS 78711-2080
(512) 794-8461
FAX (512) 794-8478

January 31, 1992

The Honorable Ann W. Richards
Governor of the State of Texas
State Capitol, Room 200
Austin, Texas 78711

Dear Governor Richards:

Commitment to the ideals of open and efficient state government. Service to the people of Texas and the participants in pari-mutuel racing in this state. Strict adherence to ethical behavior. Pride in the work that is performed on behalf of the Texas Racing Commission. Setting high goals and reaching them. Fiercely defending the laws of the state and the rules of racing. It is with the foregoing standards that the Staff of the Texas Racing Commission went about its business of administering the provisions of the Texas Racing Act and carrying out the policies of the Racing Commission. The results of the commitment are contained within the following pages of the Annual Report which I respectfully submit to you.

The following report illustrates the significant impact that pari-mutuel racing has had on the economy of the state and the localities in which the six operating racetracks are located. Pari-mutuel tax paid to the state was \$11,900,421; purses paid to horse and greyhound owners was \$16,239,026; breeders' incentive funds paid to horse and greyhound breeders was \$1,709,374; payroll of all tracks was \$14,475,000; taxes paid on sales, admissions and real estate was \$2,564,000; and license fees paid to the Texas Racing Commission was \$1,838,794. Altogether, more than \$48,000,000 was directly injected into the Texas economy as a result of racing. The Commission did not take into account the multiplier effect on the economy contributed by racing as a result of enhanced or newly constructed breeding farms, feed suppliers, veterinarians, livestock transporters, payroll paid by owners and trainers, hotel occupancy, and other related businesses.

Significant change to pari-mutuel racing occurred during 1991. The state's portion of the pari-mutuel tax was lowered for horse and greyhound racing and interstate and intrastate simulcasting was authorized by the legislature. These changes contributed to awarding Class 1 licenses to applicants in the Houston and San Antonio areas. Additionally, four applications were received by the Commission from groups vying to secure a Class 1 license to own and operate a horse racetrack in the Dallas/Fort Worth area.

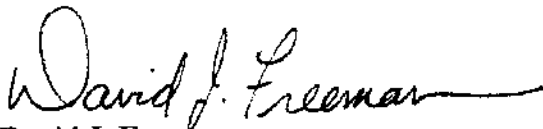
The Commission staff has continued to update and improve the on-line computer system that tracks all occupational licensing, veterinary and drug testing information, enforcement and intelligence data, pari-mutuel wagering information, and the Texas-bred incentive programs. The Commission has continued to conduct administrative hearings on occupational licensees, race date requests, and revisions to the rules of racing. Inspection of facilities under construction continue to ensure the safety and security of patrons and participants.

An important step in the development of the Texas Racing Commission occurred during 1991. After catching its breath from opening five brand new racing facilities in 1990 and another in 1991, the agency was able to turn its attention inward and develop and implement internal policies and procedures. A Personnel Manual and Standards of Conduct was drafted and distributed to the employees. An alcohol and drug policy for employees was put into place. Conservative travel policies were clearly defined and are scrupulously monitored. Affirmative action goals and aggressive minority recruitment for staff positions have been seriously undertaken.

Successfully carrying out the aforementioned programs would have been nearly impossible without the trust and support of the Commissioners. As well, and as always, the Racing Commission was assisted greatly by the Comptroller's Office, the State Treasury, the Department of Public Safety, and the Office of the Governor. It has been a pleasure and a privilege to work closely with other branches of state government to accomplish the goals of the Racing Commission.

It is with the knowledge that the hard work has just begun that the Texas Racing Commission and its staff look ahead to serving the pari-mutuel industry and the people of Texas. The industry is still in its formative stages. With dedication to honesty, integrity and an uncompromising will, racing will become a major economic contributor to Texas and will provide jobs for Texans for generations to come.

Sincerely,

A handwritten signature in cursive script that reads "David J. Freeman". The signature is written in black ink and has a long, horizontal flourish extending to the right.

David J. Freeman
Executive Secretary

TEXAS DEPARTMENT OF PUBLIC SAFETY

5805 N. LAMAR BLVD. - BOX 4087 - AUSTIN, TEXAS 78773-0001



JAMES R. WILSON
DIRECTOR

DUDLEY M. THOMAS
ASST. DIRECTOR



COMMISSION
ROBERT HOLT
CHAIRMAN
CALVIN R. GUEST
ALBERT B. ALKEK
COMMISSIONERS

January 02, 1992

Pat Pangburn, Commission Chair
Texas Racing Commission
9420 Research Blvd., Suite 200
Eschelon Center, Building III
Austin, Texas 78759

RE: ARTICLE 179e, SECTION 3.10
VERNON'S TEXAS CIVIL STATUTES

Dear Ms. Pangburn:

Article 179e, Section 3.10 of Vernon's Texas Civil Statutes requires the Texas Racing Commission (TRC) to obtain a comprehensive report from the Texas Department of Public Safety (DPS) that would indicate any organized crime activity in Texas, as well as information on any and all illegal gambling. As required by this statute, we submit the following:

NON-TRADITIONAL ORGANIZED CRIME ACTIVITY

A major concern to the law enforcement community is the continued growth of non-traditional organized crime gangs operating in Texas. As previously reported, these gangs continue to align themselves along the lines of race and/or national origin. This alliance makes them very difficult to infiltrate by law enforcement.

As in past years, these groups continue to involve themselves in any criminal enterprise that proves to be the most lucrative monetarily. These gangs of criminals continue to be heavily involved in illegal gambling, credit card and insurance fraud, extortion, loan sharking, narcotics smuggling and dealing, firearms violations and firearms smuggling, pornography and prostitution. Due to the nature of these businesses, these groups are very prone to violence and commit violent acts on a frequent basis in their struggle to gain superiority over their competition. They appear to have no fear of law enforcement or of being prosecuted for their crimes.

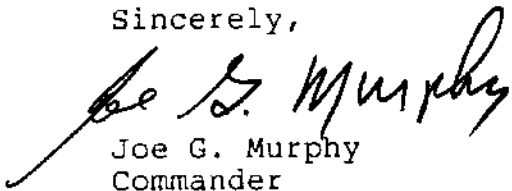
ILLEGAL GAMBLING

Even though Texas has seen the passage of legislation legalizing some gambling operations that were previously illegal; there has been no indication that illegal gambling is on the decline. State and local authorities continue to execute search and arrest warrants on illegal casino and bookmaking operations. Many thousands of dollars in illegal gambling proceeds and illegal gambling paraphernalia continues to be seized and the number of arrests continue to rise.

Another aspect that is very troubling to law enforcement is the increase in juvenile offenders involved in illegal bookmaking, numbers and lottery rackets, as well as other forms of illegal gambling. Statistics indicate an alarming 50% increase in the number of juvenile arrests over the last reporting period.

This report is to apprise the Texas Racing Commission of the extent of the current problems in Texas reference the above areas of concern.

Sincerely,



Joe G. Murphy
Commander
Criminal Intelligence Service
Texas Department of Public Safety

JGM:blc

THE TEXAS RACING COMMISSION

General Overview

The Texas Racing Commission was created in the Second Called Session of the 69th Legislature and approved by a statewide referendum in November 1987. According to the Texas Racing Act, the purposes of the Commission are to:

Encourage agriculture, the horse-breeding industry, the horse-training industry, the greyhound-breeding industry, tourism, and employment opportunities in this state related to horse racing and greyhound racing, and to

Provide for the strict regulation and control of pari-mutuel wagering in connection with that racing.

The Commission's principal responsibilities are:

Awarding licenses for pari-mutuel racetracks in Texas;

Adopting rules and regulations for the conduct of pari-mutuel racing and wagering;

Administering and enforcing all laws and rules affecting horse racing, greyhound racing and pari-mutuel wagering;

Regulating and supervising each race meeting conducted in Texas and the persons who participate in those race meetings; and

Adjudicating disciplinary matters arising from the enforcement of those laws and rules dealing with horse racing and greyhound racing and pari-mutuel wagering.

The Texas Racing Commission consists of six members appointed by the Governor and confirmed by the Senate. The Chair of the Public Safety Commission and the Comptroller of Public Accounts serve as ex-officio members with full voting privileges. Of the six appointed members, two must be veterinarians licensed to practice in this state; one who specializes in the treatment of small animals, and one who specializes in the treatment of large animals. Of the remaining four members, two must have special knowledge or experience related to greyhound racing, and two must have special knowledge or experience related to horse racing.

On matters of general application, the Commission acts as a single body. However, for those matters relating exclusively to horse racing or greyhound racing, the Commission acts separately. On those matters, the Commission consists of the three appointees with specialized knowledge along with the two ex-officio members.

The Commission is a member of the Association of Racing Commissioners International, Incorporated (ARCI). The Commissioners and staff are active participants on various national and regional committees. The National Association of State Racing Information Services (NASRIS) allows the Commission to monitor the backgrounds of licensees, review disciplinary actions against licensees and to exchange regulatory and industry information with other racing jurisdictions.

TEXAS RACING COMMISSION MEMBERS



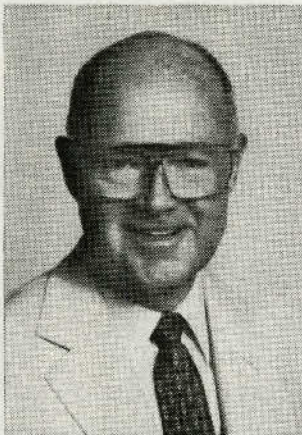
DEMARIOUS K. FREY, D.V.M.
Corpus Christi, Texas
Term Expires: February 1, 1993
Greyhound Section



PAT PANGBURN, Chair
Southlake, Texas
Term Expires: February 1, 1997
Greyhound Section



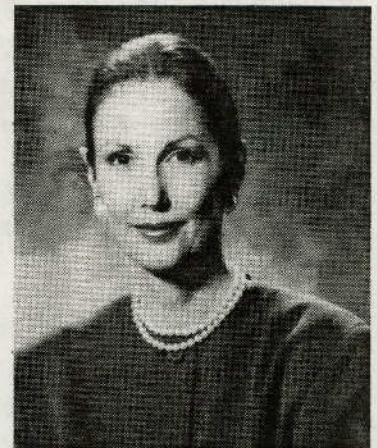
A.L. MANGHAM, JR.
Nacogdoches, Texas
Term Expires: February 1, 1995
Greyhound Section



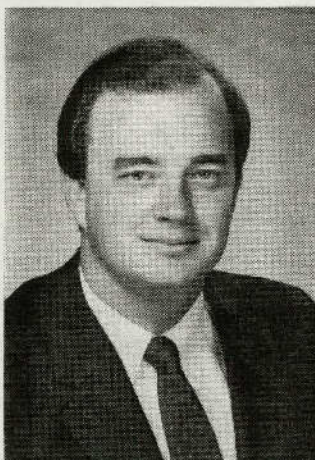
HUGH A. FITZSIMONS, JR.
San Antonio, Texas
Term Expires: February 1, 1993
Horse Section



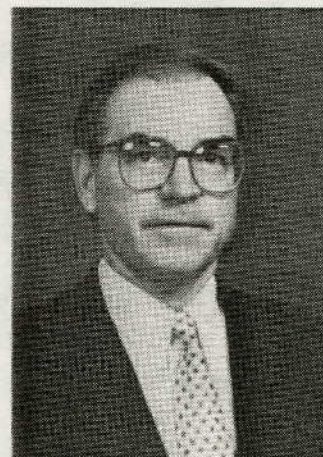
GLENN P. BLODGETT, D.V.M., Vice Chair
Guthrie, Texas
Term Expires: February 1, 1995
Horse Section



ANNE DUNIGAN WILSON
Abilene, Texas
Term Expires: February 1, 1997
Horse Section



JOHN SHARP
Comptroller of Public Accounts
Austin, Texas
Ex-Officio Member



ROBERT B. HOLT
Chair, Public Safety Commission
Midland, Texas
Ex-Officio Member

AMENDMENTS TO THE TEXAS RACING ACT

An Overview of Changes

House Bill 2263

Major amendments were made to the Texas Racing Act in May of 1991 when the Texas Legislature adopted House Bill 2263. One of the most significant changes was the lowering of the state's share of pari-mutuel tax for the horse racetracks. Texas reentered the pari-mutuel industry in 1987 with one of the highest pari-mutuel tax rates in the nation. According to industry, this high tax rate, coupled with a difficult economic environment, kept the major investors in Class 1 racing on the sidelines. A significant change was the restructuring of the pari-mutuel takeout that proponents felt would make Class 1 pari-mutuel facilities in Texas a reality. Effective August 26, 1991, the take-out structure was amended from 5% of total handle to the following sliding scale:

- 1% of total handle of first \$100 million handle per year,
- 2% of next \$100 million in handle per year,
- 3% of next \$100 million in handle per year,
- 4% of next \$100 million in handle per year,
- 5% of \$400 million & above in handle per year.

Coupled with the tax change, the purse structure was increased from 5% of total handle to not less than 7% of regular live Win/Place/Show wagers and Multiple Two wagers and not less than 8.5% of live Multiple Three wagers. This amounted to over a 40% increase in purses which serves to attract a higher quality of horses to Texas as well as keeping and attracting new investors to the horse industry.

A significant addition to racing in Texas is the ability to simulcast races to or from a licensed racetrack. The state receives 1% of the total handle wagered on simulcast races. The Texas Commission on Alcohol and Drug Abuse will receive 0.25% of total simulcast handle to develop programs for the prevention of problem gambling.

Additional incentive was given to the horse industry by allocating 1% of Multiple Two and Multiple Three wagers from both live and simulcast races to the Texas-Bred Programs. The Equine Research Account Advisory Committee was created to oversee the equine research grants funded with 2% of those additional funds. The remaining 98% is allocated to the various accredited breed registries for distribution as incentive awards to owners and breeders. Equine Research also receives 2% of total breakage.

The greyhound industry benefits from wagering on simulcast races as well. One percent of Multiple Two and Multiple Three wagers is dedicated to the promotion of the greyhound industry in this state.

Several changes to racetrack licenses were made. A racetrack license is now perpetual with the Commission having the authority to revoke or suspend a license for cause. Regarding race dates, Class 2 racetracks are now entitled to at least 60 dates, with the Commission being able to grant more dates or less dates if it deems a request for such to be in the best interest of racing. Additionally, H.B. 2263 has a reinstatement provision for racetrack licenses that were revoked by the Commission before September 1, 1991, for failure to show adequate financing.

A new class of horse racetrack license was created by H.B. 2263. A class 4 racetrack license may be granted to a county fair association which may conduct no more than five race days in a calendar year. The Commission was given the authority to waive or defer compliance with rules and regulations regarding physical facilities and operations of these tracks.

The Governor was given the authority to designate the Chair of the Commission to serve at the pleasure of the Governor.

House Bill 11

A significant change to the greyhound pari-mutuel takeout structure went into effect on December 1, 1991 as a result of the passage of a referendum to permit a state lottery. To offset a potential negative wagering effect that the lottery may have on greyhound racing, H.B. 11 reduced the state's share of greyhound handle from 6% of total handle to the following sliding scale:

- 2% of total handle of first \$100 million handle per year,
- 3% of next \$100 million in handle per year,
- 4% of next \$100 million in handle per year,
- 5% of \$300 million & above in handle per year.

H.B. 11 raised the statutory purses for greyhounds to no less than 4.7% of total handle, up from 3.5%. This 34% increase in purses paid should benefit the industry by attracting quality greyhounds to Texas, and keeping and attracting new investors to greyhound racing.

THE TEXAS RACING COMMISSION

Staff

Executive Secretary David Freeman heads the Commission's staff which is charged with overseeing racetrack and occupational licensing as well as regulating pari-mutuel operations at the racetracks. Staff is divided into six divisions:

The Administrative Division manages the budget, accounting, and administrative functions of the Commission, including personnel and purchasing.

The Racing Division oversees the occupational licensing department and pari-mutuel audit programs and supervises the judges and stewards.

The Enforcement Division is responsible for enforcing the Texas Racing Act, the Texas Racing Commission rules and regulations, conducting compliance inspections, and evaluating safety and security plans for each racetrack.

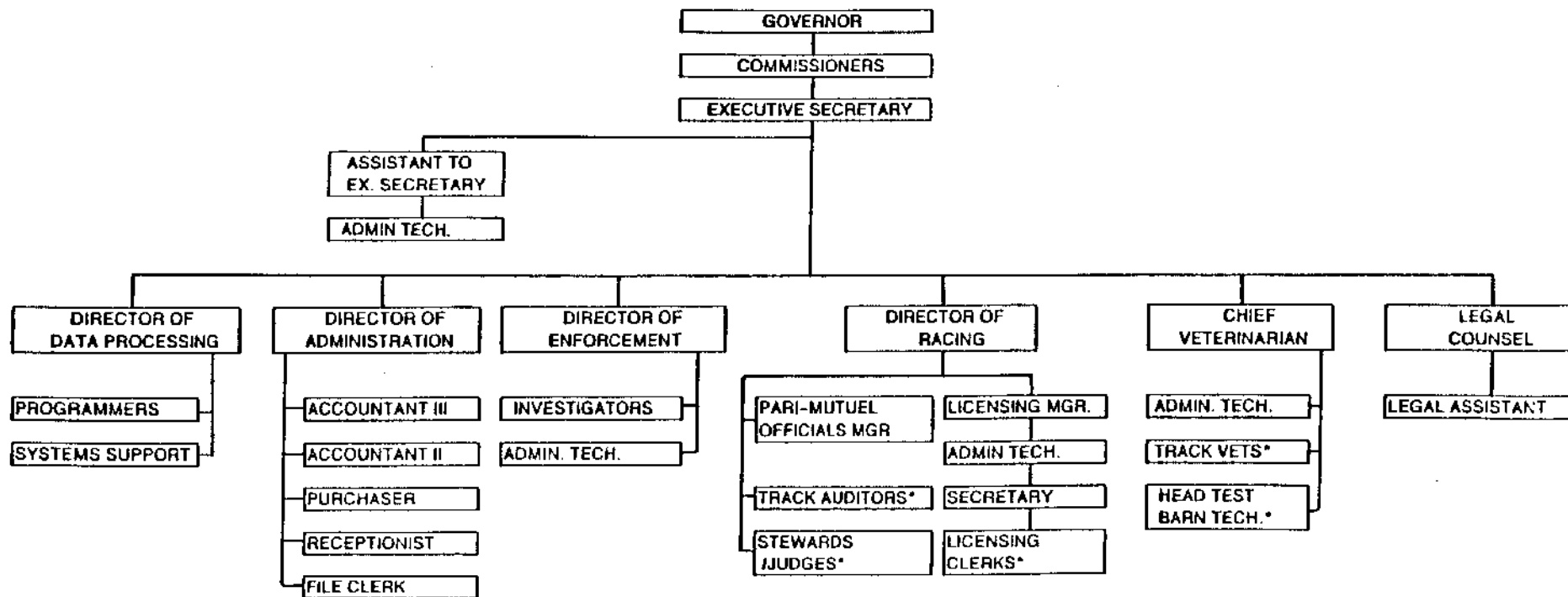
The Legal Division is responsible for reviewing all rules and regulations of the Texas Racing Commission and serves as liaison to the Attorney General's office. Additionally, this division coordinates all public hearings, formal Commission hearings, disciplinary hearings and legal proceedings regarding racetrack licenses and occupational licenses.

The Veterinary Division is responsible for overseeing the pre-race examination program as well as the medication and drug testing procedures at each track.

The Data Processing Division is responsible for the on-line computer systems of the Commission. The statewide system is on-line and includes wagering reports, veterinary data, drug testing information, occupational licensing, enforcement and rulings. Staff at each racetrack input all pertinent data daily to insure that accurate, timely information is available.

TEXAS RACING COMMISSION

ORGANIZATIONAL CHART



12

*Denotes contract or track employees

SCHEDULE OF FUNDS RECEIVED AND EXPENDED
Fiscal Year 1991

(From September 1, 1990 through August 31, 1991)

	<u>Total</u>	<u>General Revenue Fund (001)</u>	<u>Special Revenue Fund (597)</u>
REVENUES:			
Legislative Appropriations	\$ 2,493,102	\$ 2,493,102	\$ 0
OASI Appropriations	92,207	92,207	0
Total Legislative Appropriations	<u>2,585,309</u>	<u>2,585,309</u>	<u>0</u>
Licensing Revenue:			
Racetrack Applications – Horses:			
Class I Tracks	50,000	0	50,000
Class II Tracks	9,000	0	9,000
Total Racetrack Applications – Horses	<u>59,000</u>	<u>0</u>	<u>59,000</u>
Racetrack Licenses – Horses:			
Class II Tracks	30,000	0	30,000
Class III Tracks	7,000	0	7,000
Total Racetrack Licenses – Horses	<u>37,000</u>	<u>0</u>	<u>37,000</u>
Racetrack Licenses – Greyhounds	50,000	0	50,000
Outstanding Tickets	135,808	0	135,808
Race Day Fees:			
Horses	152,800	0	152,800
Greyhounds	179,575	0	179,575
Total Race Day Fees	<u>332,375</u>	<u>0</u>	<u>332,375</u>
Fines	14,785	0	14,785
Occupational Licenses	542,368	0	542,368
Breakage:			
Horses	701,990	0	701,990
Greyhounds	360,115	0	360,115
Total Breakage	<u>1,062,105</u>	<u>0</u>	<u>1,062,105</u>
Track Official's Fees	351,455	0	351,455
Total Licensing Revenue	<u>2,584,896</u>	<u>0</u>	<u>2,584,896</u>
Other Sales	94,533	94,279	254
Total Other Revenue	<u>94,533</u>	<u>94,279</u>	<u>254</u>
TOTAL REVENUE	<u>\$ 5,264,738</u>	<u>\$ 2,679,588</u>	<u>\$ 2,585,150</u>

	<u>Total</u>	<u>General Revenue Fund (001)</u>	<u>Special Revenue Fund (597)</u>
EXPENDITURES:			
Salaries & Wages	\$ 963,800	\$ 860,771	\$ 103,029
Payroll Related Costs	114,810	92,207	22,603
Professional Fees and Services	898,012	546,557	351,455
Travel	147,339	147,339	0
Materials & Supplies	81,597	81,597	0
Communications & Utilities	90,933	90,933	0
Repairs & Maintenance	57,937	57,937	0
Rentals & Leases	103,281	103,281	0
Printing & Reproduction	48,593	48,593	0
Other Expenditures	108,209	108,209	0
Capital Outlay	295,057	295,057	0
Breakage from Horses	882,560	0	882,560
TOTAL EXPENDITURES	\$ 3,792,128	\$ 2,432,481	\$ 1,359,647
EXCESS REVENUES OVER EXPENDITURES	\$ 1,472,610	\$ 247,107	\$ 1,225,503
TRANSFERS OUT:			
Fee for State Auditors	4,200	0	4,200
1.5% Appropriation Reduction	32,210	0	32,210
TOTAL TRANSFERS OUT	\$ 36,410	\$ 0	\$ 36,410
EXCESS REVENUES OVER EXPENDITURES & TRANSFERS	\$ 1,436,200	\$ 247,107	\$ 1,189,093

RACETRACK LICENSING

Initial Licensing

The Texas Racing Commission continued its efforts to bring major pari-mutuel horse racing to Texas by granting two Class 1 racetrack licenses. The racetracks are projected to open in late 1993 and early 1994 and are expected to attract the finest horses in the country.

In August, the Horse Racing Section granted a Class 1 license to Sam Houston Race Park, Ltd., to construct and operate a Class 1 horse racetrack in Harris County. The racetrack is estimated to cost \$ 50.7 million and is projected to pay salaries in excess of \$7 million per year. Additionally, the racetrack proposes to provide over \$16 million per year for purses, which are paid to the owners of racehorses who participate in racing at the racetrack.

In September, the Horse Racing Section granted a Class 1 license to Retama Park Association for a racetrack in Bexar County. The \$51.5 million facility is projected to provide over 500 new jobs for the area, and will create approximately 600 construction jobs. First year projection calls for \$7.5 million in purses to be distributed to the horse owners.

On December 31, 1991, four applicants filed for a Class 1 racetrack license for the Dallas/Tarrant Counties area. Three of the four applicants have a form of public financing, with the cities of Dallas and Grand Prairie expressing interest in having a facility within their jurisdictions. Once the Department of Public Safety and staff have finished their review of each applicant, a contested case hearing will be scheduled. It is expected that a Class 1 license will be granted in 1992.

Although the Commission has authority to grant Class 2 and Class 3 racetrack licenses, the Commission received no requests to open an application period for receiving applications for such track licenses during 1991.

House Bill 2263 amended the Texas Racing Act to authorize the Commission to grant Class 4 racetrack licenses, for racetracks that are operated by a county in conjunction with a livestock show to conduct pari-mutuel racing for not more than five days per year. The Commission has not set an application date for Class 4 license applications as of the date of this report.

H.B. 2263 also provides for reinstatement of racetrack licenses that were revoked by the Commission for failure to show adequate financing. Due to uncertainty relating to the wording of the statute, the Commission requested an opinion from the Attorney General regarding the administration of that section. La Bahia Downs, Lubbock Downs and G. Rollie White Downs have asked for reinstatement under the new provision.

Race Dates

Although H.B. 2263 made racetrack licenses perpetual, the Commission retains the authority to grant race dates to the various racetracks. Under the Texas Racing Act, Class 1 racetracks may race on as many days as the Commission will grant. Class 2 racetracks are entitled to at least 60 race dates, but the Commission may grant more or less on request by the racetrack and on a showing of the economic feasibility and public interest. A Class 3 racetrack may race not more than 16 days. Greyhound racetracks are entitled to 300 evening performances and 150 matinee performances. In 1991, the Commission granted the following race date requests for 1992:

Bandera Downs: 116 race dates, February 28 through November 29

Manor Downs: 44 spring dates, February 15 through May 25 and 48 fall dates, August 29 through December 13

Trinity Meadows Raceway: 196 race dates, March 6 through November 29

Gillespie County Fair & Festivals Association: 13 non-consecutive summer dates, beginning on Memorial Day weekend

Corpus Christi Greyhound Race Track: 455 performances

Valley Greyhound Park: 443 performances

Gulf Greyhound Park: Anticipated opening - Summer 1992 - dates to be granted early 1992

OCCUPATIONAL LICENSING

The Texas Racing Act provides that each person involved in racing with pari-mutuel wagering, other than as a spectator, must obtain an occupational license. The Texas Racing Commission has a licensing office at each track to facilitate the issuance of these licenses. Commission staff has access to the on-line licensing and pari-mutuel systems in Austin. Up-to-the-minute information is invaluable, considering the number of tracks that are now operating in Texas. For example, stewards at Trinity Meadows have instant knowledge that a jockey has been suspended for 10 days at Manor Downs, or an owner may be licensed at Bandera Downs while his horse is scheduled to run at Trinity Meadows. The on-line integrated system is one of the most comprehensive, sophisticated pari-mutuel systems in the nation. The following report details the number and types of occupational licenses issued in calendar year 1991.

LICENSE TYPE	LICENSES ISSUED	LICENSING FEE	LICENSES RENEWED	RENEWAL FEES	TOTAL FEES
A & M LAB STAFF	9	\$.00	19	\$.00	\$.00
ADMISS. PERSON	179	3,580.00	16	320.00	3,900.00
ANNOUNCER	5	100.00	4	80.00	180.00
APPRENTICE JOCK	19	965.00	9	450.00	1,415.00
ASSOC. OFFICE	34	680.00	19	380.00	1,060.00
ASSOC. OFFICER	16	800.00	12	675.00	1,475.00
ASSOC. OTHER	117	2,340.00	30	600.00	2,940.00
ASST TRNR/OWNER	30	1,500.00	1	75.00	1,575.00
ASST. STARTER	63	1,260.00	14	280.00	1,540.00
ASST. TRAINER	92	4,600.00	15	750.00	5,350.00
AUTHORIZED AGNT	45	450.00	2	20.00	470.00
BOX PERSON	1	20.00		.00	20.00
CHAPLAIN	7	140.00	2	40.00	180.00
CHART-WRITER	4	80.00	1	20.00	100.00
COMMISSIONER	2	.00	3	.00	.00
COOL-OUT	5	100.00		.00	100.00
ENTRY CLERK		.00	1	20.00	20.00
EXERCISE RIDER	183	3,660.00	39	780.00	4,440.00
FARRIER	63	2,520.00	35	1,400.00	3,920.00
FOOD SERVICE	97	1,940.00		.00	1,940.00
GROOM	593	11,860.00	103	2,060.00	13,920.00
JOCKEY	168	8,400.00	100	5,000.00	13,400.00
JOCKEY AGENT	34	1,700.00	1	50.00	1,750.00
KENNEL HELPER	154	3,080.00	9	180.00	3,260.00
KENNEL OWN/TRNR	3	175.00	2	150.00	325.00
KENNEL OWN/R/OWN	8	425.00	7	525.00	950.00
LEAD-OUT	111	2,220.00	28	560.00	2,780.00
LICENSING CLERK	7	.00	8	.00	.00
MAINTENANCE	391	7,820.00	49	980.00	8,800.00
MEDICAL STAFF	73	1,460.00	13	260.00	1,720.00
MISCELLANEOUS	4	80.00		.00	80.00
MULTIPLE OWNER	651	13,020.00	99	1,980.00	15,000.00
MUTUEL CLERK	662	13,240.00	224	4,480.00	17,720.00
MUTUEL OTHER	34	680.00	9	180.00	860.00
OFFICIAL	47	2,400.00	34	1,775.00	4,175.00
OUTRIDER	10	200.00	3	60.00	260.00
OWNER	3,504	175,475.00	1,587	80,350.00	255,825.00
OWNER-TRAINER	682	34,150.00	235	11,800.00	45,950.00
PARKING ATTEND.	99	1,980.00	10	200.00	2,180.00
PONY PERSON	219	4,380.00	74	1,480.00	5,860.00
SECURITY OFFICR	144	2,880.00	53	1,060.00	3,940.00
STABLE FOREMAN		.00	1	20.00	20.00
STATE IDENTIF.		.00	1	.00	.00
STATE JUDGE	1	.00		.00	.00
STATE STEWARD	7	.00	5	.00	.00
STATE VETERIN.	14	.00	3	.00	.00
TATTOOER	1	40.00	1	40.00	80.00
TEST TECH.	49	980.00	17	340.00	1,320.00
TOOTH FLOATER	4	120.00		.00	120.00
TOTE TECHNICIAN	20	400.00	13	260.00	660.00
TRAINER	301	15,100.00	185	9,400.00	24,500.00
TX DPS	18	.00	22	.00	.00
TX. COMPTROLLER	2	.00	6	.00	.00
TXRC CONSULTANT		.00	2	.00	.00
TXRC STAFF	16	.00	28	.00	.00
VENDOR EMPLOYEE	985	19,700.00	169	3,380.00	23,080.00
VETERIN. ASSIST	16	320.00	3	60.00	380.00
VETERINARIAN	32	1,625.00	27	1,400.00	3,025.00
	10,058	\$349,105.00	3,357	\$134,000.00	\$483,105.00

LEGAL PROCEEDINGS

During 1991, the Texas Racing Commission was involved in litigation arising out of the exercise of its regulatory duties, as well as litigation relating to pari-mutuel wagering and contractual disputes.

On October 26, 1991, the Houston Turf Club filed suit in district court in Travis County for judicial review of the Horse Racing Section's decision to grant the Class 1 racetrack license in Harris County to the competing applicant, Sam Houston Race Park, Ltd. Pursuant to a settlement between the two racetrack applicants, the lawsuit was dismissed with prejudice in January 1992.

A lawsuit filed by Lone Star Greyhound Park, Inc., in the fall, 1990, continued into 1991 and was consolidated with the administrative appeals filed by Galveston Bay Greyhound Racing Association, Bay Greyhound Racing Associates, and Lone Star. The administrative appeals were filed in March and April, 1991, and seek judicial review of the Greyhound Racing Section's decision to grant the Galveston County greyhound racetrack license to Gulf Greyhound Partners, Ltd. The lawsuit remains pending before Judge Scott McCown in the 98th District Court in Travis County.

A patron filed a lawsuit against the Texas Racing Commission on February 6, 1991, based on the Commission's rules relating to the distribution of pari-mutuel pools on the last day of a race meeting. On November 5, 1991, Judge Jerry Dellana of the 299th District Court of Travis County granted the Commission's plea to the jurisdiction and the lawsuit was dismissed.

On October 7, 1991, a suit was filed against the Commission alleging the Commission breached an oral agreement to employ a person as a steward at a pari-mutuel racetrack in 1989. The lawsuit remains pending in district court in Travis County.

RULINGS

There were a total of 1,057 violations of the Commission's rules and regulations at the 6 licensed racetracks in 1991. These violations range from procedural violations to drug positives. Hearings are conducted at the tracks by the Stewards or Judges who have the statutory authority to assess penalties ranging from monetary fines of up to \$5,000, a license suspension up to one year, or both a fine and suspension. Over \$70,000 was collected as a result of these fines. Licensees have the right to appeal decisions of Stewards or Judges as provided for a contested case under the Administrative Procedure and Texas Register Act.

ENFORCEMENT DIVISION ACTIVITIES

With the commencement of racing operations at six licensed racetracks during 1991, the activities of the Enforcement Division increased measurably. The Enforcement staff investigated a total of 545 cases in 1991, as compared to the 1990 total of 140 cases. Additionally, as is required under Section 3.11 of the Texas Racing Act, the Enforcement Division developed 2,186 intelligence reports during 1991. Intelligence information is maintained and exchanged with other states and agencies involved in enforcing provisions of the Racing Act. Also, a total of 127 complaints were processed during 1991 involving the activities of licensees and racetrack operations.

During 1991, Enforcement personnel conducted site inspections at Trinity Meadows Raceway and Gulf Greyhound Park to insure construction was done in accordance with the design plans presented to the Commission during the licensing hearings. The staff was assisted by a structural engineer consultant. Additionally, frequent compliance inspections were conducted at all operating racetracks throughout the year.

The Enforcement Division is also responsible for background investigations of major contracts entered into by licensed racetracks. Totalisator contracts,

management, security and concession contracts were closely examined. The identities, credit references, and business references of the various business owners and corporate officers involved were examined. Along with general business information, the individuals were investigated for criminal history information, outstanding state sales taxes, and previous employment history.

The following case investigations were initiated during 1991:

- 110 Investigations involving reported drug analysis positives of racing animals.**
- 7 Investigations pertaining to human drug abuse.**
- 58 Race related investigations, such as possession of contraband or fraudulent entries.**
- 24 Investigations related to criminal activity, such as thefts, frauds, cruelty to animals, and narcotics.**
- 7 Investigations of licensees not directly affecting a particular race, such as financial responsibility or undisclosed owners.**
- 302 Investigations related to occupational licensing, such as failure to disclose criminal convictions or convicted felons.**
- 28 Investigations referred from Stewards and Racing Judges, such as alcohol use violations and exclusion/ejection cases.**
- 1 Investigation related to track security and safety**
- 8 Miscellaneous Investigations**
- 545 Total cases investigated in 1991**

DRUG TESTING PROGRAM

The Texas Racing Commission's drug testing program is vital to insuring the integrity of racing in Texas. The program, which utilizes the Texas Veterinary Medical Diagnostic Laboratory at Texas A & M University, centers on post race testing for foreign substances in blood and/or urine.

Any substance not naturally present in an animal's system has the ability to enhance or hinder its performance. The testing procedures work to insure the health of the animals and to safeguard the betting interests of the patrons. The Commission conducts the tests to determine that substances have not been administered except as authorized by the Commission.

The Commission and the Laboratory participate in the Association of Racing Commissioners International Drug Testing and Quality Assurance Program. Affiliation and participation with the quality assurance program keeps the program totally up-to-date and ensures that the testing laboratory follows stringent standards and meets all standards for equipment and facilities.

Following is a summary of the tests performed during 1991:

Total number of blood samples for horses:	8,341
Total number of urine samples for horses:	7,663
Total number of urine samples for greyhounds:	14,427
Total number of positives:	106

HORSES:

Flunixin	1
PEG	19
Phenylbutazone	21
Dexa/Betamethasone	5
Dexa/Acepromzine	1
Dexamethasone	3
Mefenamic Acid	1
Aminocaproic Acid	1
Clenbuterol	1
Lidocaine	<u>1</u>
	54

GREYHOUNDS:

3-OH Pentobarbital	1
Phenylbutazone	6
Caffeine	2
Caffeine & Metabolites	2
Dimethyl Sulfoxide	8
Naproxen	3
PEG	6
Procaine	22
Sulfamethoxazole	1
Theobromine	<u>1</u>
	52

TEXAS BRED PROGRAMS

A principal objective of the Texas Racing Act is to encourage agriculture and the horse and greyhound breeding industries in Texas. To achieve this objective, the Texas Racing Act provides incentives for Texas horse and greyhound breeders, owners of Texas-bred horses, and for kennels owned by Texas residents.

An accredited Texas-bred horse must meet the accreditation requirements of the state breed registry of its particular breed. In order to receive a purse supplement as provided under the Racing Act, a horse must first be registered with the proper registry.

Section 9.03 of the Texas Racing Act requires every association conducting a horse race meeting to run at least two races limited to accredited Texas-bred horses on each race day, one of which shall be restricted to maidens.

To encourage the breeding of horses in Texas, any accredited Texas-bred horse finishing first, second, or third in any race except a stakes race receives a purse supplement. Funding for the Texas-Bred Incentive Program is derived from ninety-eight percent of the breakage of all pari-mutuel pools and from ninety-eight percent of one percent of all multiple two and multiple three wagering pools. These monies are distributed on a 40/40/20 percent split respectively among owners of accredited Texas-breds that finish first, second or third in qualifying races, breeders of accredited Texas-breds that finish first, second, or third in qualifying races, and owners of accredited Texas stallions at the time of conception whose accredited Texas-bred foals finish first, second, or third in qualifying races. The Texas-Bred Incentive Programs and the distribution of award monies are monitored by the Texas Racing Commission.

The Commission staff has worked extensively with each breed organization to ensure that the monies due to the individuals involved in breeding accredited Texas-bred horses are disseminated quickly and efficiently. This program is coordinated through computer systems.

The Texas Racing Act has established an equine research fund that will focus attention to the Texas horse racing industry and the latest research results and technological developments in equine research. Funding for the equine research account is derived from two percent of the breakage of all pari-mutuel pools and from two percent of one percent of multiple two and multiple three wagering pools.

An accredited Texas-bred greyhound is a Texas-bred greyhound that meets the requirements of the Texas Greyhound Association. To encourage the breeding of

greyhounds in Texas, purse supplements are provided by the Texas Racing Act. A greyhound must be properly registered with both the National Greyhound Association and the Texas Greyhound Association to qualify for these incentives.

Funding for the Texas-Bred Incentive Program is derived from fifty percent of the breakage of each pool and by one percent of all multiple two and multiple three simulcast pools. This breakage funds stakes races, administrative costs, and accredited Texas-bred races.

An additional breeding incentive is provided in Section 309.352 of the Texas Racing Commission Rules Governing Pari-Mutuel Racing which requires that at least fifty percent of the kennels under contract at a greyhound racetrack are wholly owned by Texas residents.

In 1991, the following monies were distributed:

Equine Research	\$14,510.83
Retained for Stakes (Horses)	97,308.56
Texas Appaloosa Horse Club	2,048.13
Texas Greyhound Association	190,980.32
Texas Paint Horse Breeders Association	2,710.21
Texas Quarter Horse Association	661,018.50
Texas Thoroughbred Association	<u>550,037.32</u>
TOTAL	<u>\$1,709,374.16</u>

**GREYHOUND TRACK INFORMATION - 1/01/91 through 12/31/91
(UNAUDITED)**

GREYHOUND TRACKS	# OF PERF.	NET HANDLE/ AVG. HANDLE	ATTENDANCE/ AVG. ATTEND.	PER CAPITA	STATE'S SHARE	MANDATED PURSES
CORPUS CHRISTI GREYHOUND RACE TRACK	459	\$74,584,472 \$162,493	949,399 2,068	\$78.56	\$4,294,067	\$2,664,770
VALLEY GREYHOUND PARK	418	\$54,243,886 \$129,770	684,080 1,637	\$79.29	\$3,098,722	\$1,945,268
TOTALS	877	\$128,828,358	1,633,479	(N/A)	\$7,392,789	\$4,610,038

**HORSE TRACK INFORMATION - 1/01/91 through 12/31/91
(UNAUDITED)**

TRACKS	# OF DAYS	NET HANDLE/ AVG. HANDLE	ATTENDANCE/ AVG. ATTEND.	AVERAGE PER CAPITA	STATE**** SHARE	PURSES**** PRESCRIBED	PURSES PAID BY TRACK*	PURSES PAID OVER(UNDER)	TX BRED STAKES**	ENTRY/SUST. FEES/ADDED***	TOTAL MONEY PD. IN PURSES
CLASS 2: BANDERA DOWNS	120	\$35,766,307 \$298,053	284,690 2,372	\$125.63	\$1,376,047	\$2,029,683	\$2,411,560	\$381,877	\$30,980	\$1,024,819	\$3,467,359
MANOR DOWNS: SPRING MEET	41	\$7,998,929 \$195,096	86,832 2,118	\$92.12	\$399,946	\$399,946	\$461,500	\$61,554	\$8,000	\$693,020	\$1,162,520
FALL MEET	49	\$7,493,657 \$152,932	74,753 1,526	\$100.25	\$74,937	\$553,854	\$701,900	\$148,046	\$6,000	\$457,370	\$1,165,270
TRINITY MEADOWS: INAUGURAL MEET	57	\$46,493,513 \$815,676	371,864 6,524	\$125.03	\$2,186,474	\$2,407,231	\$2,495,274	\$88,044	\$0	\$299,600	\$2,794,874
FALL/WINTER MEET*	65	\$34,778,561 \$535,055	205,121 3,156	\$169.55	\$347,785	\$2,552,830	\$2,430,946	(\$121,884)	\$45,000	\$201,448	\$2,677,394
CLASS 3: GILLESPIE COUNTY	14	\$2,408,853 \$172,061	29,323 2,095	\$82.15	\$120,443	\$120,443	\$203,600	\$83,157	\$1,800	\$156,171	\$361,571
TOTALS	346	\$134,939,820	1,052,583	N/A	\$4,507,632	\$8,063,987	\$8,704,780	\$640,793	\$91,780	\$2,832,428	\$11,628,988

THESE SIMULCAST WAGERING TOTALS ARE INCLUDED IN THE ABOVE NUMBERS.

BREEDERS' CUP NOVEMBER 2, 1991	Breeders' Cup Races 2-8	National Pick 7	Total Simulcast
Bandera Downs	\$160,670	n/a	\$160,670
Manor Downs	\$110,138	\$26,408	\$136,546
Trinity Meadows	\$586,381	\$195,541	\$781,922
TOTALS	\$857,189	\$221,949	\$1,079,138

*PURSES PAID BY TRACK INCLUDING TRACK'S ADDED MONEY. TRINITY'S INCLUDES \$11,588.61 PAID TO THBPA.

**STAKES RACES FOR ACCREDITED TEXAS BRED HORSES FUNDED FROM TRACK'S SHARE OF BREAKAGE.

***TOTAL MONIES FROM ENTRY FEES, SUSTAINING PAYMENTS, AND OUTSIDE ADDED MONEY.

****EFFECTIVE 8/26/91, STATE'S SHARE IS BASED ON NEW SLICING SCALE AND PURSES PRESCRIBED CHANGES FROM 5% OF TOTAL HANDLE TO 7% OF WPS & MULTIPLE 2'S & 8.5% OF MULTIPLE 3'S

BANDERA DOWNS

Class 2

Bandera Downs, 40 miles northwest of San Antonio in historic Bandera, began its pari-mutuel racing on July 6, 1990. Racing for 120 days in 1991, the track offered both thoroughbred and quarterhorse racing.

The track's payroll expense for its 400+ employees was over \$2.5 million. Over \$300,000 in sales tax, real estate tax and admissions tax was paid in 1991, in addition to over \$1.3 million in pari-mutuel tax to the state. Purses paid exceeded \$3.4 million in 1991.

Contributions totaling almost \$5,000 were made to Junior Achievement, Bandera Independent School District, United Way, and North San Antonio Chamber of Commerce Benefit.

	<u>1990</u>	<u>1991</u>
Race Days	67	120
Total Attendance	229,136	284,690
Daily Average Attendance	3,420	2,372
Total Handle	\$22,941,593	\$35,766,307
Daily Average Handle	\$342,412	\$298,053
Per Capita Wagering	\$100	\$126
Total Purses Paid	\$1,465,675	\$3,467,359
Daily Average Purses	\$21,876	\$28,895
Total State Tax	\$1,147,080	\$1,378,047

Bandera - 40 miles northwest of San Antonio
P.O. Box 1775
Bandera, Texas 78003
512 796-7781

Size Of Track:
Length: 7/8 mile
Width: 75 feet

Total Seating Capacity: 3,050

Total Stall Space: 760 Permanent, 80 Temporary

Inaugural Pari-Mutuel Meeting: July 6, 1990

Attendance Record: September 3, 1990 - 7,814

Pari-Mutuel Wagering Record: July 14, 1991 - \$520,744



CORPUS CHRISTI GREYHOUND RACE TRACK

Celebrating its first full year of operation on November 15, 1991, Corpus Christi Greyhound Race Track has brought a new entertainment facility to the area. Offering nine performances a week, the track operates on a 7-day schedule.

There have been over 500 newly created jobs, with a payroll expense for 1991 of over \$4.2 million. Over \$1 million was paid in real estate, sales, Texas Alcoholic Beverage Commission and admissions taxes. The state received \$4.4 million from Corpus Christi Greyhound Race Track in pari-mutuel tax.

Charitable contributions totaling \$15,000 have benefited the Texas State Aquarium, Corpus Christi State University, Spohn Hospital, and Texas A & M University.

	<u>1990*</u>	<u>1991</u>
# of Performances	57	459
Total Attendance	119,632	949,399
Daily Average Attendance	2,099	2,068
Total Handle	\$7,514,299	\$74,584,472
Daily Average Handle	\$131,830	\$162,493
Per Capita Wagering	\$63	\$79
Total Purses Paid	\$263,001	\$2,664,770
Daily Average Purses	\$4,614	\$5,806
Total State Tax	\$450,858	\$4,294,067

*Opened November 15, 1990

5302 Leopard Street
Corpus Christi, Texas 78408
512 289-9333

Size Of Track:
Length: 1,347 feet
Width: 22 feet

Total Seating Capacity: 2,500

Kennel Capacity: 18 kennels, 60 crates each

Inaugural Pari-Mutuel Meeting: November 15, 1990

Attendance Record: November 23, 1990 - 6,242

Pari-Mutuel Wagering Record: November 22, 1991 - \$335,984



Corpus Christi Greyhound Race Track hosted their 1st Annual Governor's Cup Races in honor of Governor Richards.

GILLESPIE COUNTY FAIR AND FESTIVALS ASSOCIATION

Class 3

Gillespie County Fair and Festivals Association, a non-profit county fair organization, held its inaugural meeting in 1881, with its first pari-mutuel race being on May 26, 1990. Located in the "Hill County" in Fredericksburg, the association is known for its year long devotion to activities that promote the youth, agriculture, or tourism in the area. The track raced 14 days over 5 weekends during the summer months. The association is blessed with a knowledgeable racing membership who have donated their time and effort to bring pari-mutuel racing to Fredericksburg. A spirit of family embraces the area during the races, as the German hospitality welcomes the fans, the horsemen and the Commission staff.

Gillespie County youth benefited from racing as \$22,750 in scholarships were awarded in 1991. Additionally, the facilities are donated to the 4-H and FFA groups throughout the year. During racing, 135 people are on the payroll for a total yearly expense of \$173,747. An additional \$28,363 was paid in real estate taxes and sales tax, with the state receiving \$120,443 in pari-mutuel tax.

	<u>1990</u>	<u>1991</u>
Race Days	12	14
Total Attendance	47,491	29,323
Daily Average Attendance	3,958	2,095
Total Handle	\$2,710,647	\$2,408,853
Daily Average Handle	\$225,887	\$172,061
Per Capita Wagering	\$57	\$82
Total Purses Paid	\$307,353	\$361,571
Daily Average Purses	\$25,613	\$25,827
Total State Tax	\$135,532	\$120,443

2 miles South of Main Street on Highway 16
P.O. Box 526
Fredericksburg, Texas 78624
512 997-2359

Size Of Track:

Length: 5/8 mile oval-440 yard straight away
Width: 90 feet

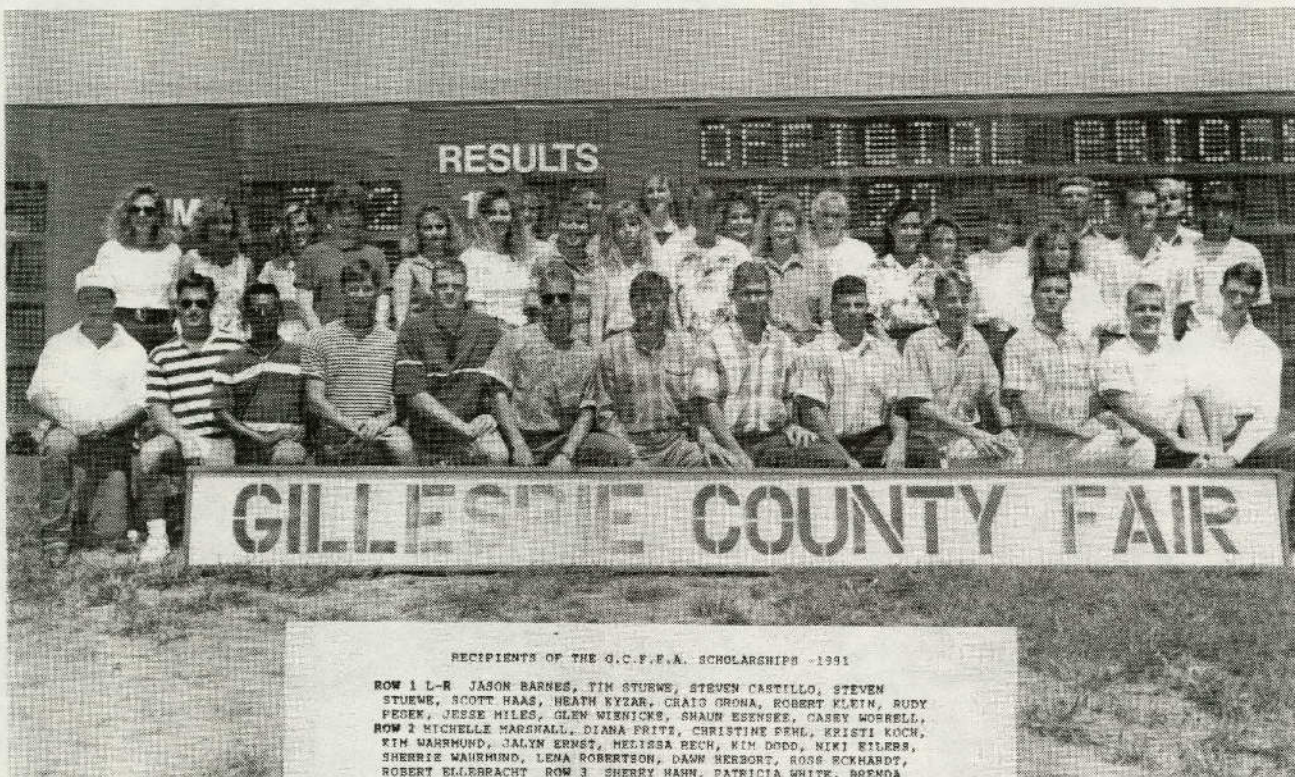
Total Seating Capacity: 3,200

Total Stall Space: 200

Inaugural Pari-Mutuel Meeting: May 26, 1990

Attendance Record: July 4, 1990 - 7,574

Pari-Mutuel Wagering Record: July 4, 1990 - \$352,854



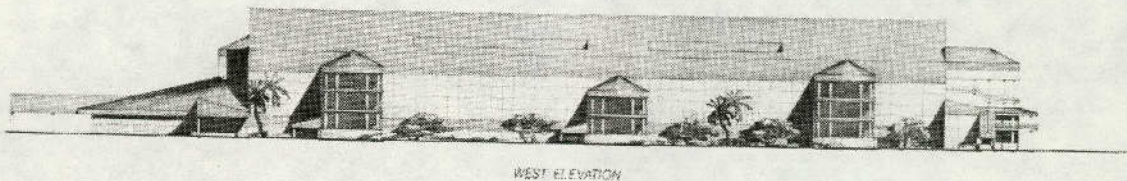
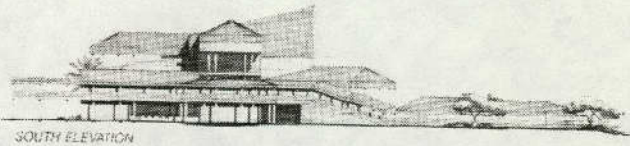
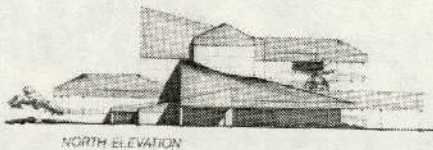
RECIPIENTS OF THE G.C.F.F.A. SCHOLARSHIPS - 1991

ROW 1 L-R JASON BARNES, TIM STUEWE, STEVEN CASTILLO, STEVEN STUEWE, SCOTT HAAS, HEATH KYEAR, CRAIG ORDNA, ROBERT KLEIN, RUDY FEDEK, JESSE HILES, GLEN WIENICKS, SHAUN ESENSEK, CASEY WORRELL,
ROW 2 MICHELLE MARSHALL, DIANA FRITZ, CHRISTINE FEHL, KRISTI KOCH,
KIM WAHRMUND, CALYN ERNST, MELISSA PECH, KIM DODD, NIKI EILERS,
SHERRIE WAHRMUND, LENA ROBERTSON, DAMN HERBERT, ROSE ECKHARDT,
ROBERT ELLEBRACHT ROW 3 SHERRY HANN, PATRICIA WHITE, BRENDA BRYSON, JENNIFER BARRON, TRISHA SMITH, VICKI PENL, AUDRI EILERS,
BRIAN RORDER, MICHAEL TATSCH
NOT PICTURED: ANDREA EILERS, VIOLEY ELLEBRACHT, KATHY KLINKSIEK,
JUDY NEHR, DESMOND REES

GULF GREYHOUND PARK

Gulf Greyhound Park is "off and running" following the ground-breaking ceremony on June 13, 1991. Located in LaMarque, the world-class facility is on schedule for a summer 1992 opening. The 50 week racing season is scheduled for Tuesday through Sunday racing. Located just off IH 45, nine miles northwest of Galveston and thirty miles southeast of Houston, Gulf Greyhound Park anticipates employing approximately 850 local individuals, with a payroll of over \$9 million. Galveston County, cities in the county, and the Dickinson Independent School District will receive over \$2 million in tax dollars once the track is operational.

Total seating capacity of the Park is 8,400 which includes a 1,800 capacity clubhouse. Closed-circuit racing and wide-screen monitors along with 325 mutuel teller windows will accommodate the patrons. Gulf Greyhound Park will have a recognized Greyhound Adoption Program administered by the Texas Greyhound Association. The program will be instrumental in finding suitable people to care and house the retired racing Greyhounds.



GULF GREYHOUND PARTNERS, LTD.
CITY OF LA MARQUE, GALVESTON CO., TEXAS

HOLT ARCHITECTS INC.
10000 SHAWNEE DRIVE, HOUSTON, TEXAS 77036

LONGHORN DOWNS

Class 2

Longhorn Downs received their racetrack license in 1989. Initial construction has begun on the facility that is in Round Mountain, approximately 50 miles northwest of Austin.

FACILITY SUMMARY

Acreage	267.44
Seating Capacity (enclosed)	8,244
Seating Capacity (outdoors)	1,800
Parking Spaces	5,250
Number of Mutuel Windows	278
Number of Horse Stalls	1,560
Track Specifications	Length – 5/8 mile Width of Turns – 75 feet Width of Stretch – 70 feet Grandstand Chute – 1,980 feet Backstretch Chute – 2,728
Type of Inside Rail	Fontana Rail or Comparable
Total Cost	\$35,000,000

MANOR DOWNS

Class 2

Located 15 miles east of Austin, Manor Downs has offered racing to Central Texas fans since 1974. Its inaugural pari-mutuel meeting opened on October 11, 1990. Manor Downs hosted two quarterhorse meetings in 1991, a 41 day spring meet, and a 49 day fall meet.

With a seasonal average of 147 employees for over 7 months in 1991, the track has brought a new source of employment opportunity to the area. Almost \$1 million in payroll expense has certainly made an economic impact on the area. The concessions and parking concessionaire employed an additional 162 people during race meetings. Approximately \$62,000 in sales tax, real estate tax, and admissions tax was paid in 1991, in addition to over \$474,000 in pari-mutuel tax to the state.

Manor Downs worked with the American Cancer Society to host a gala night at the races benefit event. The track offered a unique setting to raise money for the American Cancer Society, donating the facility and providing all the necessary ingredients such as officials, horses, jockeys, and tellers to make the fund raising event a great success. Manor also donated a portion of a day's handle to the Center for Battered Women in Austin, the Race Track Chaplain, and to Texas A & M University.

	<u>1990</u>	<u>1991</u>
Race Days	34	90
Total Attendance	64,112	161,585
Daily Average Attendance	1,886	1,795
Total Handle	\$5,918,015	\$15,492,586
Daily Average Handle	\$174,059	\$172,140
Per Capita Wagering	\$92	\$96
Total Purses Paid	\$811,306	\$2,327,790
Daily Average Purses	\$23,862	\$25,864
Total State Tax	\$295,901	\$474,883

Manor - 15 miles east of Austin
P.O. Box 141309
Austin, Texas 78714
512 2725581

Size Of Track:
Length: 550 yard straight away
Width: 80 feet

Total Seating Capacity: 2,500

Total Stall Space: 673

Inaugural Pari-Mutuel Meeting: October 11, 1990

Attendance Record: May 19, 1991 - 3,829

Pari-Mutuel Wagering Record: December 16, 1990 - \$414,794

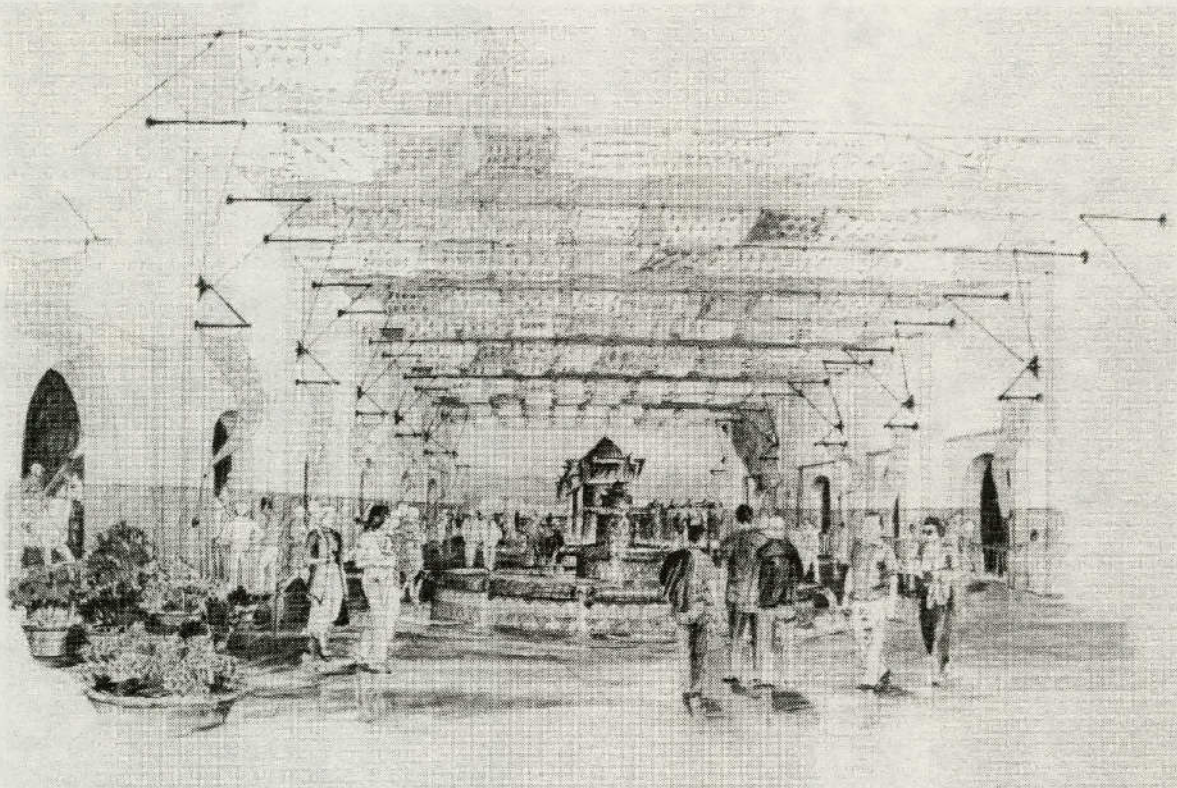


RETAMA PARK

Class 1

Retama Park, to be located just northeast of San Antonio in Selma, was granted a Class 1 license in September of 1991. The site fronts IH35, just north of Loop 1604, adjacent to the former Retama Polo Center. The facility has a completion date of late 1993 and will create some 600 construction jobs in the interim. With a projected work force of over 500, Retama Park will be one of the largest employers in the area.

The facility will reflect the hacienda style, popular in South Texas, incorporating a "paseo," or broad avenue, connecting the paddock to the track through a series of archways. The 90 foot tall, five level stadium is designed for unobstructed views of the tracks and tote board, and will accommodate 8,000 to 12,000 fans. A 1 1/16 mile dirt track will surround the 7 furlong turf track. Stabling will accommodate 1,240 horses in 31 barns.

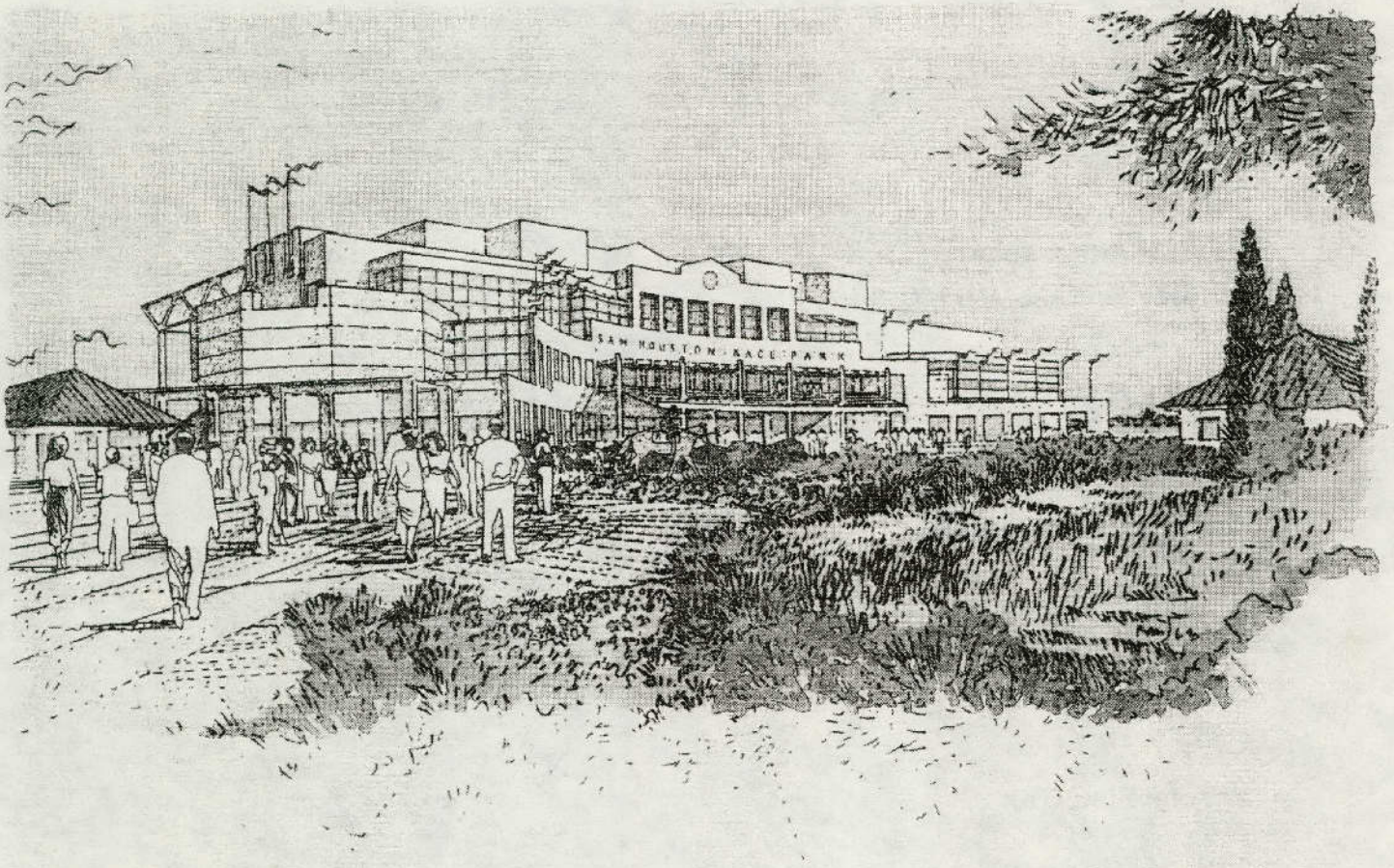


SAM HOUSTON RACE PARK

Class 1

On August 12, 1991, the Commission awarded Texas' first Class 1 racetrack license to Sam Houston Race Park. Following a contested case hearing, the losing applicant filed an appeal of the Commission's order in District Court, Travis County. After substantial negotiations, Sam Houston Race Park settled the appeal which has been subsequently dismissed.

With all legal impediments removed, Sam Houston is moving quickly in implementing the program it believes will bring Class 1 racing to Harris County in late 1993. The track owners continue to focus efforts on fine tuning the design of the facility and finalizing the financing to allow construction to begin as soon as possible at the northwest Harris County site.



TRINITY MEADOWS RACEWAY

Class 2

Located 13 miles west of Fort Worth in Willow Park, Trinity Meadows opened for pari-mutuel racing on May 29, 1991. Over 52,000 people attended the 4-day opening meeting, wagering almost \$3 million. Trinity Meadows hosted two mixed meetings, a 57 day summer meet, and a 65 day fall/winter meet, for a total of 122 days.

With 428 direct employees and 60 concession employees, the track's payroll expense was over \$3.3 million. Approximately \$784,000 in sales tax, real estate tax, Texas Alcoholic Beverage Tax, and admissions tax was paid in 1991, in addition to over \$2.5 million in pari-mutuel tax to the state. Purses paid exceeded \$5.4 million.

Trinity Meadows gave over \$40,000 to the Race Track Chaplaincy of Texas, Tarleton State University, American Cancer Society, March of Dimes and two individual contributions for an injured jockey and a cancer victim.

	<u>1991</u>
Race Days	122
Total Attendance	576,985
Daily Average Attendance	4,729
Total Handle	\$81,272,074
Daily Average Handle	\$666,165
Per Capita Wagering	\$141
Total Purses Paid	\$5,465,388
Daily Average Purses	\$44,798
Total State Tax	\$2,534,259

Willow Park - 13 miles west of Ft. Worth
P.O. Box 121789
Ft. Worth, Texas 76121
817 4419240

Size Of Track:

Length: 3/4 mile

Width: 80 feet back straightaway, 90 feet front straightaway

Total Seating Capacity: 5,500

Total Stall Space: 688

Inaugural Pari-Mutuel Meeting: May 29, 1991

Attendance Record: June 1, 1991 - 17,515

Pari-Mutuel Wagering Record: November 2, 1991 - \$1,192,598



VALLEY GREYHOUND PARK

Valley Greyhound Park celebrated its first full year of racing on November 14, 1991. Located in Harlingen, the track operates on a year-round schedule. Over 684,000 people attended the races in 1991, wagering over \$54 million. This new form of entertainment has added to the region's tourist attractions.

Staffed at over 330, the total payroll expense for 1991 exceeded \$3.3 million. Over \$390,000 was paid in real estate, sales and admissions taxes. The state received \$3.1 million from Valley in pari-mutuel tax.

The track demonstrated its commitment to the community when a flood devastated the area in the spring of 1991. Having already scheduled its charity days for the year, Valley approached the Commission to add another day immediately to help the American Red Cross effort in the area. Other recipients of charity day racing included Muscular Dystrophy, Horizon Youth Center, Greyhound Pets of America, and McAllen Jaycees.

	1990*	1991
# of Performances	55	418
Total Attendance	100,351	684,080
Daily Average Attendance	1,825	1,637
Total Handle	\$5,914,833	\$54,243,886
Daily Average Handle	\$107,542	\$129,770
Per Capita Wagering	\$59	\$79
Total Purses Paid	\$207,019	\$1,945,268
Daily Average Purses	\$3,764	\$4,654
Total State Tax	\$354,890	\$3,098,722

*Opened November 14, 1990

2601 S. Ed Carey Drive
Harlingen, Texas 78550
512 412-RACE

Size Of Track:
Length: 1/4 mile
Width: 22 feet

Total Seating Capacity: 2,500

Kennel Capacity: 18 kennels, 60 crates each

Inaugural Pari-Mutuel Meeting: November 14, 1990

Attendance Record: November 23, 1990 - 4,714

Pari-Mutuel Wagering Record: March 17, 1991 - \$291,233



TEXAS RACING COMMISSION

Meetings of 1991

During 1991, the Texas Racing Commission held 11 formal meetings. Minutes of each meeting are kept on file in the Commission office and are available to the public on request. Highlights of the meetings follow:

January 7, 1991: Adopted rules. Adopted emergency rules and proposed rules for publication in the Texas Register. Approved transfer of ownership in Bandera Downs, Inc. Conducted hearing on rules violations by occupational licensee.

February 11, 1991: Adopted rules. Adopted emergency rules and proposed rules for publication in the Texas Register. Heard report from staff regarding budget. Granted make-up performance to Valley Greyhound Park. Approved revised order regarding 1991 race dates for Bandera Downs. Granted Motion for Rehearing regarding additional 1991 race dates for Bandera Downs. Granted exemption request to Trinity Meadows Raceway.

March 8, 1991: Adopted rules. Affirmed 1991 race dates for Trinity Meadows Raceway. Approved agreement between Gillespie County Fair and Festivals Association and Bandera Downs regarding 1991 race dates. Considered and took no action on Motions for Rehearing in the Galveston County greyhound racetrack licensing proceeding.

April 4, 1991: Adopted rules. Adopted emergency rules and proposed rules for publication in the Texas Register. Approved revision in 1991 performances for Corpus Christi Greyhound Race Track. Appointed subcommittee for greyhound racetrack compliance. Granted exemption request to Trinity Meadows Raceway. Greyhound Racing Section held executive session regarding management contract between Gulf Greyhound Partners, Ltd., and Texas Greyhound Association.

May 6, 1991: Adopted rules. Adopted emergency rules and proposed rules for publication in the Texas Register. Heard report by staff regarding Quality Assurance Committee of the Association of Racing Commissioners International. Acted on Proposals for Decision and agreed order regarding occupational licensees. Granted exemption request to Trinity Meadows Raceway. Approved types of wagers, totalisator contract, and 1991 charity race dates for Trinity Meadows Raceway. Horse Racing Section held executive session regarding concession agreement for Trinity Meadows and approved agreement on a temporary basis. Determined decision-making process for Class 1 licensing proceedings for Harris County and Bexar County. Approved 1991 charity race dates for Corpus Christi Greyhound Race Track, Valley Greyhound Park, and Manor Downs. Approved make-up performances and granted exemption request for Valley Greyhound Park.

July 1, 1991: Adopted rules. Adopted emergency rules and proposed rules for publication in the Texas Register. Heard reports from staff regarding veterinary matters, status of racetrack construction, and budget. Greyhound Racing Section held executive session regarding management contract between Gulf Greyhound Partners, Ltd., and Texas Greyhound Association. Acted on Proposals for Decision and agreed order regarding occupational licensees. Granted exemption request for Gulf Greyhound Partners, Ltd. Granted 1992 race dates to Corpus Christi Greyhound Race Track and Valley Greyhound Park. Horse Racing Section held executive session regarding concession agreement for Trinity Meadows and

approved agreement on a temporary basis. Approved additional 1991 race dates for Bandera Downs. Set application period for accepting applications for Class 1 racetrack licenses in the Dallas and Tarrant County areas.

August 12, 1991: Adopted emergency rules and proposed rules for publication in the Texas Register. Heard report from staff regarding adopt-a-greyhound programs. Heard report from Texas A&M Center for Greyhound Medicine regarding turnout pens. Adopted Proposal for Decision granting Class 1 racetrack license in Harris County area to Sam Houston Race Park, Ltd. Horse Racing Section held executive session regarding concession agreement for Trinity Meadows. Approved concession agreement. Granted 1991 charity race dates for Corpus Christi Greyhound Race Track. Granted exemption request to Gulf Greyhound Partners, Ltd.

September 3, 1991: Adopted rules. Adopted emergency rules and proposed rules for publication in the Texas Register. Proposed simulcasting rules. Approved change in Board of Directors for Bandera Downs. Adopted Proposal for Decision granting a Class 1 racetrack license for Bexar County area to Retama Park Association. Acted on Proposals for Decision regarding occupational licensees. Requested staff review of stewards' decision on occupational licensee.

October 21, 1991: Adopted rules. Proposed rules for publication in the Texas Register. Adopted simulcasting rules on an emergency basis for the limited purpose of the Breeders' Cup races. Approved amended rules for Texas-bred Incentive Programs of Texas Thoroughbred Breeders Association and Texas Quarter Horse Association. Adopted resolution granting to the executive secretary the necessary approval authority for simulcasting the Breeders' Cup races. Denied exemption request to Valley Greyhound Park. Heard reports from Valley Greyhound Park and Corpus Christi Greyhound Race Track regarding anniversary celebrations. Greyhound Racing Section held executive session regarding management contract between Gulf Greyhound Partners, Ltd., and Texas Greyhound Association. Approved management contract with conditions. Requested staff review of stewards' decisions on occupational licensees. Granted 1992 race dates to Trinity Meadows Raceway, Bandera Downs, Manor Downs, and Gillespie County Fair and Festivals Association. Approved agreement between Trinity Meadows Raceway and Texas Horsemen's Benevolent and Protective Association. Approved ownership transfer in Bandera Downs, Inc. Horse Racing Section held executive session regarding concession contract for Bandera Downs. Approved concession contract. Rescinded request from September meeting to review stewards' decision on occupational licensee.

November 20, 1991 (Greyhound Racing Section only): Granted exemption request and additional 1991 and 1992 race performances and approved kennel contract form for Valley Greyhound Park.

December 9, 1991: Adopted rules. Proposed rules for publication in the Texas Register. Heard reports from staff regarding scheduled seminar for stewards, racing judges, and other officials and kennel crates at Valley Greyhound Park. Heard presentations regarding adopt-a-greyhound programs. Acted on Proposals for Decision and agreed order regarding occupational licensees. Approved agreed orders regarding security requirements for Retama Park Association and Sam Houston Race Park, Ltd. Appointed ad hoc committee to research issues relating to commission officers and agenda preparation.

