

## **BILL ANALYSIS**

Senate Research Center  
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S.B. 1096  
By: Cain  
Business & Commerce  
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### **DIGEST AND PURPOSE**

Currently, there is no funding provision for attracting a Breeders' Cup horse race to the state. As proposed, S.B. 1096 provides a funding mechanism for the track that is awarded the Breeders' Cup horse race to pay for the costs associated with attracting such a race.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly given to the Texas Racing Commission in SECTION 1(Article 6, Texas Racing Act, Section 6.094) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Article 6, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), by adding Section 6.094 as follows:

Sec. 6.094. NATIONAL EVENT INCENTIVES. (a) Defines "breeders' cup costs," "breeders' cup races," "development organization," and "political subdivision."

(b) Authorizes an association conducting the Breeders' Cup races to apply to the payment or reimbursement of Breeders' Cup costs amounts that would otherwise be set aside for the state under Sections 6.091(a)(1) and 6.093 of this Act during the year in which the association hosts the Breeders' Cup races, limited to an amount equal to the lesser of the aggregate amount contributed to pay Breeders' Cup costs by political subdivisions and development organizations or \$2 million. Provides that beginning on January 1 of the year for which the association has been officially designated to host the Breeders' Cup races, amounts that would otherwise be set aside for the state during that year under Sections 6.091(a)(1) and 6.093 of this Act be deposited into a special account to be administered as provided by this section.

(c) Requires that disbursements be made from the special account to pay Breeders' Cup costs actually incurred by the association as such costs are incurred, either by direct payment of the costs or reimbursement to the association for costs paid by it. Prohibits disbursements from the special account from exceeding the aggregate amount actually paid for Breeders' Cup costs by political subdivisions and development organizations.

(d) Requires that, by January 31 of the year following the year in which the association hosts the Breeders' Cup races, the association submit to the Texas Racing Commission (commission) a report including certain requirements.

(e) Requires the commission, following receipt of the report required by Subsection (d), to take any steps it considers appropriate to verify the report and give instructions for the final disbursement of any funds remaining in the special account. Requires that any balance remaining in the account after payment or reimbursement of any remaining

Breeders' Cup costs authorized under this section be set aside for the state.

(f) Requires the commission to adopt rules relating to the administration of this section, including rules relating to certain items.

(g) Authorizes the commission to adopt rules to facilitate the conduct of the Breeders' Cup races, including the adoption of rules or waiver of existing rules relating to the overall conduct of racing during the Breeders' Cup races in order to assure the integrity of the races, licensing for all participants, special stabling and training requirements for foreign horses, and commingling of pari-mutuel pools.

(h) Provides that the provisions of this section prevail over any conflicting provisions of this Act.

SECTION 2. Effective date: September 1, 2001.