

# Allocation of Simulcast Purse Funds

## Commission Rule 321.505(a)

- ▶ (1) An association shall recommend the percentages by which it will divide the purse revenue generated from simulcasting among the various breeds of horses. The percentages are subject to the approval of the Commission.
- ▶ (2) Negotiations.
  - ▶ (A) At least 30 days before recommending the percentages, the association shall begin negotiations with the organizations recognized by the Commission or in the Act as representatives of horse owners, trainers, and/or breeders.
  - ▶ (B) When requested, the association shall provide the material specified in paragraph (3) of this subsection to the organizations recognized by the Commission or in the Act as representatives of horse owners, trainers, and/or breeders.
- ▶ (3) When requesting Commission approval of the percentages, the association shall present in writing studies, statistics, or other documentation supporting the association's application of the criteria in paragraph (4) of this subsection in its proposed division.
- ▶ (4) The Commission may consider the following criteria in evaluating whether to approve the association's proposed division of purse revenue:
  - ▶ (A) local public interest in each breed as demonstrated by, but not limited to, the following factors:
    - ▶ (i) live handle by breed;
    - ▶ (ii) simulcast import handle by breed;
    - ▶ (iii) live attendance at the racetracks; and
    - ▶ (iv) sales and market survey information.
  - ▶ (B) earnings generated by the association from each breed;
  - ▶ (C) national public interest in each breed as determined by the live simulcast export handle of each Texas meet;
  - ▶ (D) racetrack race date request and opportunities given to each breed; and
  - ▶ (E) availability of and ability to attract competitive horses.
- ▶ (5) If the Commission determines that the association's proposed division of purse revenue is inconsistent with the association's obligation to accord reasonable access to races for all breeds of horses, the Commission may:
  - ▶ (A) require the association to submit additional information supporting its recommendation for consideration at the next Commission meeting;
  - ▶ (B) reject the association's recommendation and require the association to submit a new recommendation for consideration at the next Commission meeting; or
  - ▶ (C) reject the association's recommendation and approve an alternate division of purse revenue as determined by the Commission.
- ▶ (6) In lieu of the process outlined in paragraphs (3) - (5) of this subsection, the association may submit a signed agreement between the association and the organizations referenced in paragraph (2) of this subsection for the Commission to consider for approval. For the Commission to approve the agreement, the agreement must:
  - ▶ (A) delineate the percentages by which the association will divide the purse revenue generated from simulcasting among the various breeds of horses; and
  - ▶ (B) be signed by the association and all organizations referenced in paragraph (2) of this subsection.