



December 3, 2015

The Honorable Dan Patrick  
Lieutenant Governor of Texas  
PO Box 12068  
Austin, TX 78711

Dear Governor Patrick,

Speaking on behalf of the 1,100 horsemen represented by the Texas Thoroughbred Association, I want to express deep disappointment with your stance as evidenced in your letter (and press release) of December 1, 2015 addressed to Texas Racing Commission Chairman Dr. Robert Schmidt, encouraging him to hold yet another vote on the historic horse racing rules at their next meeting, and repeal the rules that were adopted after a lengthy, transparent and inclusive process.

As acknowledged in your November 4, 2015 letter to industry representatives, the matter of historical racing remains pending before the Third Court of Appeals. Due process under the law is one of the cornerstones of our democracy. By your most recent press release, it appears that you may wish to disregard the right of Texans to due process through the court system.

It is certainly appropriate to let the legal process concerning the issue of historical horse racing advance without threat, or withholding full administrative funding for the Racing Commission. Temporary funding only serves to put Texas horsemen in an untenable situation. Also, as you are aware, all Commission funding comes from fees paid by the industry, not from any general appropriation or non-industry taxpayer sources.

Most recently in the letter we sent to you on November 16, 2015 (attached once again for your review) we formally requested a meeting with you, and also provided you with additional information on this topic. Unfortunately, our request for a meeting has gone unanswered.

We again respectfully request that we be provided with the opportunity to meet in-person with you to discuss the facts specific to historic horse racing, and the rules addressing historic horse racing promulgated by the Texas Racing Commission.

Further, we respectfully request that the Texas Racing Commission be provided full funding and that the matter of historical racing be allowed to be resolved through the court system. Over 36,000 hard-working Texans are awaiting your response.

Respectfully,

Mary Ruyle  
Executive Director

cc: Members of the Texas Racing Commission  
The Honorable Greg Abbott, Governor of the State of Texas  
The Honorable Joseph Straus, Speaker of the Texas House of Representatives



# The Senate of The State of Texas

**DAN PATRICK**  
**LIEUTENANT GOVERNOR**

November 4, 2015

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Texas Horsemen's Partnership, LLP  
P.O. Box 142533  
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Texas Quarter Horse Association  
706 West 11th Street, Suite D  
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Gillespie County & Fair Festivals  
P.O. Box 526  
Fredericksburg, Texas 78624

Gulf Coast Racing  
5302 Leopard Street  
Corpus Christi, Texas 78408

Gulf Greyhound Park  
P.O. Box 488  
La Marque, Texas 77568

Laredo Downs  
7220 CPL Road  
Laredo, Texas 78091

Laredo Race Park  
7575 N. Sam Houston Pkwy. W  
Houston, Texas 77064

Manor Down  
P.O. Box 141309  
Austin, Texas 78714

Retama Park  
1 Retama Parkway  
Selma, Texas 78154

Saddle Brook Park  
3822 Business Park Drive  
Amarillo, Texas 79110

Tesoros Race Park  
3900 N. McColl Road  
McAllen, Texas 78501

Valley Race Park  
2601 South Ed Carey Blvd.  
Harlingen, Texas 78552

Dear Ladies and Gentlemen:

Thank you for your letter dated October 19, 2015, regarding the Texas Racing Commission. I understand and appreciate your concerns regarding the future of horse racing in Texas.

I fully supported the proposal by members of the Texas Senate to allow the Racing Commission to use their existing appropriation dollars to temporarily cover administrative costs and allow the racing commission board members to reconsider historic racing. Pursuant to that proposal, the Legislative Budget Board did grant temporary administrative funding for the Texas Racing Commission on September 1, 2015.

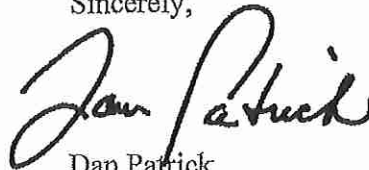
Members of the Senate have made very clear that the Racing Commission should focus on their statutory purpose of enforcing the Texas Racing Act and ensuring the safety, integrity and fairness of Texas pari-mutuel racing. Furthermore, the Senate does not believe the Racing Commission has the authority to expand gambling. A district judge agreed with the Senate in her finding.

As you note in your letter, the matter of historical racing remains pending before the Third Court of Appeals. The legislature awaits the action of the Texas Racing Commission to repeal historical racing, as they seemed to suggest they would last spring, or the decision of the Third Court of Appeals on this issue.

I have asked for other recommendations on how we can help preserve and grow your industry. To date, the only recommendation we have received is to expand gambling. As you are probably aware, there has not been support in either the House or the Senate to expand gambling in Texas. If anyone has other ideas on how to help the horse industry in Texas, please send those ideas to my office.

Again, thank you for sharing your comments with me. It is an honor and a privilege to serve as your Lieutenant Governor.

Sincerely,

A handwritten signature in black ink that reads "Dan Patrick". The signature is written in a cursive, flowing style.

Dan Patrick

Lieutenant Governor of Texas

DP/cc



November 16, 2015

The Honorable Dan Patrick  
Lieutenant Governor of Texas  
PO Box 12068  
Austin, TX 78711

Dear Governor Patrick,

Thank you for your letter of November 4, 2015, regarding funding of the Texas Racing Commission, and for clarifying for us that current restrictions on funding are directly tied to the Racing Commission's adoption of rules relating to Historical Racing.

The Texas Thoroughbred Association represents over 1,100 breeders and owners of Thoroughbred race horses, and I would like to respond on their behalf.

First and foremost, we would like to provide you with some factual and clarifying information regarding Historical Racing, and the rules adopted by the Texas Racing Commission. As per the rules, Historical Racing must only be conducted within the enclosure of a licensed, regulated racetrack. Historical Racing must be based solely on the outcome of actual horse or greyhound races. Historical Racing cannot be a game of chance. The system must be pari-mutuel, whereby the patrons are wagering against each other, not against the "house."

Historical Racing does not in any way constitute an expansion of gambling. Historical Racing terminals are not slot machines. Historical Racing simply uses technology that is now available to present horse and greyhound racing in a new delivery system that is additive to the existing wagering menu available only at licensed Texas racetracks.

The use of technology in the conduct of pari-mutuel wagering is an appropriate, legal and prudent thing for the Texas Racing Commission to authorize and regulate. The current rules regulating Historical Racing were adopted by a 7 - 1 vote by the members of the Texas Racing Commission (each of whom were appointed by a Republican Governor and ratified by the State Senate). Among their numerous restrictions and safeguards, these rules state that use of any specific terminals whereby patrons could wager on Historical Racing would be subject to individual scrutiny and approval by the Texas Racing Commission. These terminals would additionally be required to undergo review and certification from an independent third party certification entity as conforming to the Texas Constitution, Texas Racing Act and Texas Rules of Racing. Therefore, anyone who claims that Historical Racing terminals are slot machines or illegal is speaking out of turn, because *no specific Historical Racing terminals have yet been approved, nor have any even been submitted for review, scrutiny and approval.* It's very possible that none of the forms of Historical Racing currently deployed in other states would even pass the strict review process imposed in our rules by the Texas Racing Commission.

It is unfortunate that Historical Racing has been misrepresented and inaccurately depicted by some individuals and organizations; therefore, we strongly encourage any and all interested parties to take the opportunity to explore the facts about Historical Racing and the rules adopted by the Texas Racing Commission. I am sure we can agree that the best and most productive conversations can be held between individuals and groups who rely on facts rather than misinformation or unrelated agendas.

So what will Historical Racing actually do for Texas? In other states where pari-mutuel wagering on historical races has been implemented, it has significantly revitalized the horse industry by providing additional purse funds and breeders' awards. Better purses attract better horses and fuller fields, providing incentives to breed, sell and race horses in Texas.

Concerning the issue of funding for the Texas Racing Commission, short-term funding provides no reassurance to horsemen struggling with difficult decisions in the face of an uncertain future.

Foaling season begins in January. Breeders are now faced with making decisions on where their mares will foal, considering how the Texas-bred program compares with other options.

They also must make plans for which stallions they wish to breed their mares, or even whether to breed them at all.

The Thoroughbred meet at Sam Houston Race Park goes through March 8, 2016 while current TRC funding ends February 29th. Will there be enough racing in Texas to meet their needs, or will owners, trainers and horses be forced to go out of state?

Deadlines to Accredited Texas foals and to nominate to certain stakes races are imminent, along with a deadline to consign Thoroughbreds to the April 4, 2016 Two-Year-Old in Training Sale at Lone Star Park.

The horsemen of Texas implore you to help protect jobs and families who depend on racing to sustain them. Please use your elected office to insure full funding of the Texas Racing Commission, and to allow the ongoing legal proceedings regarding the Historical Racing rules to proceed. We have a longstanding legal process in this country and in this state that is designed and intended to be fair to all parties and let each side present its facts and issues. That legal process is not issue-specific. It's certainly appropriate to let the legal process move forward on the issue of Historical Racing without threat.

Members of the Texas horse industry and I would certainly appreciate the opportunity to meet with you at your earliest convenience for further discussion of the issue. We are confident there is an outcome where all parties and interests can come together for the good of Texas and Texans, and we can all make decisions based on facts and our common goals.

Respectfully,



Mary Ruyle  
Executive Director