

MINUTES (AMENDED)

OREGON RACING COMMISSION JANUARY 19, 1996

The Oregon Racing Commission met on Friday, January 19, 1996, at 1:30 p.m. for their regular meeting in Room 120C of the Portland State Office Building located at 800 N. E. Oregon Street, Portland, Oregon. Commissioners in attendance were as follows: Stephen Walters, Chair; Brad Higbee, Vice Chair; George Rankins, Richard Reid and Laura Fine. Agenda items were discussed in the following order with resulting actions:

1. Minutes of December 14, 1995 Commission Meeting

ACTION: MOTION (Higbee) Approve minutes as submitted.

VOTE: 5 Aye, 0 Nay

2. Announcement of Brad Higbee's Resignation from the Commission

Brad Higbee made the announcement that he had tendered his resignation from the Commission effective January 31, 1996, in order to run for the state senate in the May primary. In his farewell comments to the Commission and attendees he highlighted some of the areas which he felt have been important issues to the industry not only in the past but will continue to be important in the future. Chair Walters reiterated Mr. Higbee's statement that this industry needs to work together in the interests of the patrons and the public or else there won't be an industry. In a related matter, Tom Towslee was introduced as the newly appointed commissioner by the governor. Senate confirmation is scheduled to take place in February, and his first official duty as a commissioner will take place at the March 21st meeting.

3. Oregon Appaloosa Racing Association Oregon-bred Monies from 1995 Salem Lone Oak Race Meet

Steve Barham recommended approval.

ACTION: MOTION (Reid) Approve request.

VOTE: 5 Aye, 0 Nay

4. New Portland Meadows Update

a. Stats

Mike Dorough reported the live handle is down 11%, while the simulcast handles are up: 6.5% for horses and 4.6% for greyhounds. This brings the total handle down 6.9%, reflecting a decline at a lesser rate. Mr. Dorough also reported that they are currently selling their signal outside of Oregon to West Virginia. Brad Higbee raised the issue of two instances where pools for races at Bay Meadows were not merged.

b. Track Surface Update

Woody Mitchell presented a chart in which the actual level of sand is measured, however, it does not measure the entire cushion. Currently there are six inches of sand over the base throughout the entire track surface. Chair Walters and Steve Barham complimented Mr. Mitchell on the track's response to the request made by the Commission at their last meeting to implement a system of recording the depth of the track surface on a regular basis.

c. OGA/NPM Agreement

Rick Martson, attorney representing MGP, submitted to the Commission a request to intervene in this particular condition of the NPM race meet application, stating that any agreement between NPM and the OGA to simulcast greyhound racing (a) would have an adverse impact on MGP's live racing, (b) there is no statutory authority for cross-breed simulcasting, and (c) there is no authority for simulcasting of the scope requested by NPM. A lengthy discussion followed on this issue.

ACTION: MOTION (Fine)

Deny request for intervention ***on the ground that it is untimely and that granting intervention at this late date would unfairly prejudice The New Portland Meadows.***

VOTE:

4 Aye, 0 Nay, 1 Abstention (Rankins)

Paul Romain, representing the OGA, and David Brown, representing NPM, reported no agreement had been reached regarding compensation. They did, however, request a ten minute recess to discuss the issue one more time. Following the recess, it was reported NPM has offered 2% of the simulcast handle to the OGA, and the OGA has consented to that amount. The Commission commended both groups for their efforts to come to a satisfactory agreement on this final condition of the NPM 1995-96 race meet application.

5. Grand Ronde Casino Off Track Site Closure

Steve Barham reported he has been contacted by a Nevada disseminator who would like more information regarding approval authority of the Commission on their providing the simulcast signal for racing at the Grand Ronde casino. It was decided Steve Barham should contact Paul Sundermier for legal interpretation of ORC approval authority as well and Joe Smith of Grand Ronde.

6. Proposed Simulcast Rules

Steve Barham summarized the events of the rulemaking hearing conducted on December 18, 1995. Chair Walters then reported a written request for postponement of Commission action regarding these rules had been received from Rick Martson, representing MGP. In addition, MGP was requesting an additional hearing be scheduled regarding the proposed simulcast rules, incorporating in that request its objections to the license of NPM. In his comments Chair Walters made reference to advice received from Commission legal counsel Paul Sundermier responding to alleged procedural defects concerning the rule adoption process.

ACTION: MOTION (Fine)

Deny request by MGP to reopen or schedule a new hearing on the simulcast rules ***for the reasons stated in the attached order.***

VOTE:

5 Aye, 0 Nay

ACTION: MOTION (Rankins) To find on the procedural objections to the rulemaking process as recommended by counsel and as discussed by the Commission in the meeting.

VOTE: 5 Aye, 0 Nay
(Copy of the order is attached and made a part of these minutes)

Following the above actions, the Commission went through the proposed rules, making amendments in several areas.

ACTION: MOTION (Higbee) Approve amendments to proposed rules.
5 Aye, 0 Nay

ACTION: MOTION (Higbee) Adopt rules as amended.
5 Aye, 0 Nay

There being no further business, the meeting was adjourned.