

Secretary of State  
Certificate and Order for Filing  
**TEMPORARY ADMINISTRATIVE RULES**  
A Statement of Need and Justification accompanies this form.

**FILED**  
10-23-14 9:43 AM  
ARCHIVES DIVISION  
SECRETARY OF STATE

I certify that the attached copies are true, full and correct copies of the TEMPORARY Rule(s) adopted on Upon filing, by the  
Oregon Racing Commission 462  
Agency and Division Administrative Rules Chapter Number  
Karen Parkman (971) 673-0208  
Rules Coordinator Telephone  
800 NE Oregon St., Suite 310, Portland, OR 97232  
Address  
To become effective 10/23/2014 through 04/21/2015.

**RULE CAPTION**

Amends rule to include defining a single shareholder subchapter S Corporation as a natural person.  
Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

**RULEMAKING ACTION**

Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

**ADOPT:**

**AMEND:**  
462-210-0010

**SUSPEND:**

**Statutory Authority:**  
ORS 462.250 (6)

**Other Authority:**  
N/A

**Statutes Implemented:**  
ORS 462.250 (6)

**RULE SUMMARY**

Amend: OAR 462-210-0010 (15) Amends rule to include a single shareholder subchapter S corporation in which the shareholder is a natural person at least 18 years of age to be defined as a "Person".

Karen Parkman karen.parkman@state.or.us  
Rules Coordinator Name Email Address

Secretary of State  
**STATEMENT OF NEED AND JUSTIFICATION**  
A Certificate and Order for Filing Temporary Administrative Rules  
accompanies this form

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Oregon Racing Commission  
Agency and Division

462  
Administrative Rules Chapter Number

Amends rule to include defining a single shareholder subchapter S Corporation as a natural person.

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of:

Proposed rule amendment OAR 462-210-0010 (15)

**Statutory Authority:**

ORS 462.250 (6)

**Other Authority:**

N/A

**Statutes Implemented:**

ORS 462.250 (6)

**Need for the Temporary Rule(s):**

The fees paid by Advance Deposit Wagering licensees (ADWs) are critical to the ORC's ability to survive and to promote the best interests and good conduct of horse racing in Oregon. The fees paid are based on the total gross receipts of mutuel wagering that each ADW receives from its account holders. Our ADW licensees are losing business because the subchapter s corporation option is not currently available to ADW account holders. With wagering volume shrinking and unregulated off shore entities continuing to siphon players away from regulated licensees, it is essential that the ORC offer ADWs the ability to compete. This rule change is consistent with another recent change that allowed single member LLCs to be ADW account holders.

**Documents Relied Upon, and where they are available:**

Agency counsel and are available at the agency.  
800 NE Oregon Street, Suite 310 Portland, OR

**Justification of Temporary Rule(s):**

The Commission finds that failure to act promptly will result in the failure of our ADW licensees to be able to capitalize on the wagering that will be made on one of the biggest events in racing, The Breeders Cup, scheduled for October 31-November 1. This failure reduces the gross wagering receipts of each licensee, and the corresponding fee paid to the Commission.

Karen Parkman

karen.parkman@state.or.us

Printed Name

Email Address

**Temporary Rule for Consideration:**

**462-210-0010**

**Definitions**

(15) "Person": Any natural person at least 18 years of age or a single member limited liability company where the single member is a natural person: at least 18 years of age or a single shareholder Subchapter S Corporation in which the shareholder is a natural person at least 18 years of age.