

# MINUTES

## OREGON RACING COMMISSION FEBRUARY 21, 1997

The Oregon Racing Commission met on Friday, February 21, 1997, for their regular meeting in Room 140 of the Portland State Office Building located at 800 N. E. Oregon Street, Portland, Oregon. Commissioners in attendance were as follows: Stephen Walters, Chair; Laura Fine, Vice Chair; George Rankins, Richard Reid and Tom Towslee.

The meeting was called to order at 2:00 p.m. and the Commission immediately went into executive session to receive advice from legal counsel regarding pending litigation. They reconvened and Chair Walters announced they had received legal advice from counsel and took no action. Agenda items were discussed in the following order with resulting actions:

### **1. Minutes of January 23, 1997, Commission Meeting**

Regarding the statement at the end of the minutes regarding the Commission going into executive session to deliberate on the petition to reconsider final order on James Wooten, Chair Walters wanted to add: "Following deliberation, the Commission reconvened and announced a modified order with respect to Mr. Wooten. The Commission upheld charges of disturbing the peace in the Jockeys' Room, imposed a fine of \$125.00 and dismissed all remaining charges."

ACTION: MOTION(Reid)

Approve minutes as amended.

VOTE:

5 Aye, 0 Nay

### **2. Eastern Oregon Livestock Show 1997 Race Meet Application (6/6/97-6/8/97)**

Steve Barham recommended approval. Question was raised by Chair Walters as to whether or not the purse structure included assumptions about the 1% money. Mr. Barham responded he didn't know, however, he presumed it would be based on past history purse levels which would include some of the Christmas Tree money. Chair Walters voiced his concerns in the assumption that the purse structure may include funds in addition to the Christmas Tree money from another source, such as the 1% money, which is very much up in the air at this point.

ACTION: MOTION(Rankins) Approve race meet application and delegate to executive director authority to approve any changes in race meet officials.

VOTE:

5 Aye, 0 Nay

### **3. New Portland Meadows**

#### **a. Update**

Mike Dorough reported they have been actively working on marketing their signal, and as a result, have been successful in getting it going throughout Illinois. The signal to Florida will be starting this week. The live handle is down 11.7% overall compared to 21% last month. The net is now down a quarter of 1% compared to being down 5% last month.

**b. Race Dates Requests for 1997-98, 1998-99 and 1999-2000 Race Meets**

NPM needs to have 86 days of live racing for their meet, and the dates request for 1997-98 reflects that by beginning in mid October and ending in mid May. With these dates they would be simulcasting the Kentucky Derby and the Preakness. This would provide for a 7mo./5 mo. window. Chair Walters voiced his concerns regarding the request to approve race dates for three years, changing the window from 6½ mo./5½ mo. as approved by the Commission, and the ongoing ownership situation of NPM. That being the case, Chair Walters suggested the Commission defer consideration of the race dates request until they can look more closely at a complete application. Commissioner Fine commended NPM for their efforts to do some advance planning, but stated she would be more comfortable if the Commission waited to take action on the request. Steve Barham recommended the Commission table the matter until a complete application is provided plus a summary of all of the legal positions of the corporation, including discussion of future plans and structure of this corporation.

ACTION: MOTION(Towslee) Table race dates request until receipt of complete race meet application.  
VOTE: 5 Aye, 0 Nay

**4. Legislative Update**

Steve Barham stated there was a proposed amendment to HB 2104, our bill, included in the Commission packets which the OTBA is looking at. There are some issues in it that he would probably recommend to the Commission not to support, one of which is that it is limited only to unclaimed winnings. In his opinion something like this should be the entire amount of revenue that goes to the General Fund as was outlined in the Governor's Task Force on Gaming. If that is done he does not believe the use of that account should be specified to the degree that this amendment would specify. He feels the industry needs something more broad than that which is outlined in the proposed amendment. HB 2104 has not been scheduled for hearing yet.

The bill from the Gambling Task Force is going to have a hearing March 25th at 1:30 p.m. Question was raised by Commissioner Towslee regarding the development fund. Mr. Barham responded that while it was in the Task Force's report, it was put in in such a way that it was not part of the bill. Where he feels it would come up would be either in an industry bill or an industry amendment to our bill.

**5. Crooked River Roundup 1997 Race Meet Application (7/9/97-7/12/97)**

Steve Barham recommended approval. Again, concerns similar to those raised in the Eastern Oregon Livestock Show race meet application were brought up regarding the source of funds for purses.

ACTION: MOTION(Rankins) Approve race meet application and delegate to executive director authority to approve any changes in race meet officials.

VOTE: 5 Aye, 0 Nay

**6. Advisory Committee Report**

Ursula Gibbons reported the committee has had two meetings since the January Commission meeting and agreed on two things at the last meeting. The committee agreed that they were interested in seeing that Grants Pass is funded for their meet and they recommended the Christmas

Tree money, the Lottery funding, be used for Grants Pass since it is unknown what is going to happen with the 1%, and that monies left from the HBPA fund be added to that, and then the difference would be talked about by NPM and MGP. This is a short term solution to the problems right now. Secondly, the long-term solution is through legislation, and the committee agreed on a broad concept to work together on a legislative solution. One of the sources of funding would be a combined effort to get state relief from video poker machines at the OTB sites and the race tracks, the state's portion of the video poker proceeds, and the other was the out tickets. Everyone agreed to support a joint industry effort on that part. Question was raised by Commissioner Towslee regarding a simulcast corporation. Ms. Gibbons responded a sub committee met once to explore that possibility, and ultimately recommended they drop this proposal.

Chair Walters asked Rusty Vernon to comment as to where they are with respect to conducting a race meet in Salem. He reported they are pursuing a RFP which should take place in two weeks. They would expect to have someone selected in April, and the RFP would be contingent upon receiving some outside source of funding to support the race meet. If that doesn't occur the contract would be null and void, and they would not plan on racing. They are operating on the assumption that the 1% is a valid rule and there would be funding coming from that. There is some legislative effort being made which, if successful, would probably fund the fair meets for the foreseeable near future as a permanent fix, including the State Fair.

Based on some of the legislative issues raised in the discussions regarding ways to help fund the fair meets, Chair Walters suggested the Commission might want to consider appointing a Commission contact person for people working on these legislative issues and tracking these things because they are critically important. Steve Barham stated he feels on legislative issues he should be representing the Commission's point of view, not his own, and therefore recommended one commissioner who has their "ear to the ground down there" be assigned to help him go through the process. Commissioner Towslee be assigned to work with Mr. Barham in tracking legislative issues.

ACTION: MOTION(Fine)

VOTE:

5 Aye, 0 Nay

#### **7. OGA Request to Purchase Another Freezer**

ACTION: MOTION(Fine)

VOTE:

Delegate authority to Steve Barham to take action on this request.

5 Aye, 0 Nay

#### **8. Petition by Lone Oak Racing and New Portland Meadows to Rehear and Reconsider the Decision of the Oregon Racing Commission Granting Multnomah Greyhound Park's 1997 Race Meet Application**

ACTION: MOTION(Fine)

VOTE:

Due to the lateness in receiving this request, put this item on the March agenda which will allow the commissioners time to sufficiently review the contents of the request.

5 Aye, 0 Nay

#### **OTHER BUSINESS BEFORE THE COMMISSION:**

#### **9. Change of Meeting Dates for March and April**

Chair Walters stated he has conflicts on the next two meeting dates, March 20th and April 24th. It was agreed to reschedule those meetings to March 21st and April 25th. The March meeting will be held in Room 140 of the State Office Building, however, we will need to find a location for the April meeting.

**10. Pari-Mutuel Industry Summit Meeting**

Commissioner Towslee reminded individuals who had received invitations to attend to turn in their registration if they have not already done so.

There being no further business, the meeting was adjourned.