

MINUTES

OREGON RACING COMMISSION JUNE 20, 1997

The Oregon Racing Commission met on Friday, June 20, 1997, at 10:00 a.m. for their regular meeting in the Arts and Crafts Building at the Josephine County Fairgrounds in Grants Pass, Oregon. Commissioners in attendance were as follows: George Rankins, Richard Reid, and Tom Towslee who acted as Chair of the meeting. Chair Stephen Walters and Vice Chair Laura Fine were excused. Prior to calling the meeting to order, Acting Chair Towslee thanked Al Westhoff, Josephine County Fair, for hosting the commissioners and staff at a barbeque last night and for providing their facilities for this meeting. Agenda items were discussed in the following order with resulting actions:

1. Minutes of May 15, 1997 Commission Meeting

ACTION: MOTION(Rankins) Approve minutes as submitted.
VOTE: 3 Aye, 0 Nay, 2 Excused

2. O.T.B.A. 1996-97 Portland Meadows Oregon-bred Owner Bonus and Breeder Awards

Ursula Gibbons reported there was a 56.71% increase in earnings of Oregon-bred bonuses over last year. There is one award being held pending the outcome of a hearing before the Board of Stewards. Breeder awards dropped to 10% because breakage didn't provide enough funds. Steve Barham recommended approval.

ACTION: MOTION(Rankins) Approve owner bonus and breeder award distribution as requested.
VOTE: 3 Aye, 0 Nay, 2 Excused

Ursula also requested approval to redistribute undeliverable checks for breeder awards in the amount of \$923.34.

ACTION: MOTION(Reid) Approve request to redistribute funds.
VOTE: 3 Aye, 0 Nay, 2 Excused

3. Report from Oregon Council on Racing

Ursula Gibbons reported the newly formed Oregon Council on Racing, formerly the Advisory Committee on Simulcasting, had their first meeting on June 1st and have scheduled another meeting for August 13th. The agenda will include deregulation, the next legislative session in 1999, as well as other pertinent racing issues.

4. Oregon Appaloosa Racing Association 1997 Budget

Steve Barham recommended approval.
ACTION: MOTION(Reid) Approve as submitted.
VOTE: 3 Aye, 0 Nay, 2 Excused

5. Tillamook County Fair 1997 Race Meet Officials

Steve Barham recommended approval.
ACTION: MOTION(Rankins) Approve race meet officials as submitted and delegate to the executive director authority to approve any possible changes.
VOTE: 3 Aye, 0 Nay, 2 Excused

6. Request for Reinstatement by Willie Brackens

Mr. Brackens is basically requesting approval be granted for him to participate in racing activities in another state. Steve Barham reported he has met the criteria set forth in the Board of Stewards Order. The Commission in their Order revoked Mr. Brackens' license. The CHRB is willing to license Mr. Brackens, stating he has made significant progress in his treatment program. Mr. Barham recommended issuance of an Order granting request to remove the revocation and to further state that Mr. Brackens could be considered for licensure in Oregon.

ACTION: MOTION(Rankins) Approve recommendation of Mr. Barham.

VOTE: 3 Aye, 0 Nay, 2 Excused

7. New Portland Meadows End of Meet Report

Mike Dorough reported total handle was down 1.4% from last year with the live down 14.9%, horse simulcast down 1.9% and greyhound simulcast up 7.2%. Attendance was down 3.9%. They feel there was a definite decline in handle in the spring when Washington began simulcasting in April.

Discussion then centered around a memo written by Steve Barham in which he documented an end of meet meeting he had with track management. Items discussed were track security, track lighting, grandstand roof, barn area repair, test barn, track surface, inside rail, phone system, perimeter fence, and market poles and spinner.

The bonus program for OTB sites was discussed. The program was intended to stimulate interest of employees to participate in increasing the handle. It was determined the idea is good, however, there is quite a bit of fine tuning that still needs to be done. The Commission asked Steve Barham to meet with OTB site managers and NPM management to work toward improving the agreement prior to the start of the 1997-98 season.

8. Multnomah Greyhound Park Update

Carl Wilson reported total handle is down 10%, with live down 12%, horse simulcast down 12%, and greyhound simulcast up 2.5%. He strongly believes the decline in the northern and southern California horse simulcast handle is a direct reflection of Washington simulcasting. Exporting of the MGP signal is up 35%, with the biggest part of that increase due to getting into the Miami market. Attendance is down 9%. They are doing some promotions this evening with their 2nd wallet night, and are still looking at angles they might be missing regarding increasing the handle and attendance.

9. Lone Oak Racing Update

Lonnie Craig reported they are having a good response on stall applications, have a tote company and are working very hard on making preparations for the beginning of the meet. Because of not having tote company and phone lines available as they have had in the past, Mr. Craig stated they cannot simulcast in Salem. They are not forfeiting their license or their agreement with Oregon State Fair at this time because they are still hoping for some financial assistance from the legislature. Discussion followed regarding Commission action on the repeal of the simulcast rule, the effect that it will have on horse racing within the state and specifically the race meet at Salem. LOR requested that the rule be repealed, which it

was, however, Mr. Craig stated the Commission, by not going back to the old policy or establishing a new one, has basically put the horsemen out of work due to the fact that simulcast signals they want to take and have always taken in the past have been allocated to another race meet. Steve Barham went through the chronology of events beginning with the establishment of the original simulcast policy, through the process of adopting the simulcast rule which became effective in October, 1996, the filing by LOR and HBPA to have the rule repealed, and ultimately the granting of a commercial race meet license to LOR at the May Commission meeting to conduct live racing and bring in out-of-state simulcasting at the Oregon State Fairgrounds commencing July 26 and continuing through October 12, 1997. In addition to Mr. Craig, the following individuals addressed the Commission with their concerns regarding horse racing at Salem: John Funk, representing the Arabian Racing Association; George Hurliman, representing Tillamook County Fair; John Harris, representing OQHRA; Melody Truitt, speaking for women in the industry; Nancy Klapatch; and Cliff Babbitt, representing HBPA.

10. Legislative Update

HB 2104 as amended with account wagering has gone through both chambers and is waiting for signature by the governor.

HB 3009 has had added to it a multijurisdictional hub for simulcast racing. The industry funding bills are in Repine's hands right now. Lobbyists have not yet been told the issue is dead. Probably will be one of the last bills of the session to come out.

11. Request from Patron Roger D. Kluth

Mr. Kluth, who placed a wager at Bend's Best Bet, requested the ticket be cancelled prior to running of race when the ticket was not able to be found. Steve Barham recommended authorization of payment based on the fact the patron had asked for cancellation of the ticket prior to the running of the race; he had not gone back to the table. Mr. Kluth had basically turned away from the window, turned back again and said he did not have his ticket. Mr. Barham stated, however, it should be made clear if the Commission decides to authorize payment that this should not be seen as setting a precedent. The facts of this case are different from most cases that have come before the Commission regarding lost tickets.

ACTION: MOTION(Reid)

Approve payment of the winning ticket.

VOTE:

3 Aye, 0 Nay, 2 Excused

12. Approval of Proposed Order - Gordon Platt

This hearing was held for nonpayment of fine. Licensee misread Order requiring payment of \$300 fine. Mr. Platt had thought the fine had been waived. Recommendation was \$200 fine for nonpayment of \$300 original fine which ultimately was paid prior to the hearing.

ACTION: MOTION(Reid)

Approve Proposed Order as Final Order.

VOTE:

3 Aye, 0 Nay, 2 Excused

13. Approval of Order by Default - Julian Bramble

This hearing was held for nonpayment of fine. Since the fine still has not been paid, Mr. Barham recommended the license be suspended immediately and remain suspended until 30 days following payment of fine.

ACTION: MOTION(Rankins) Approve Order by Default.
VOTE: 3 Aye, 0 Nay, 2 Excused

14. OGBA 1997-98 Budget

Vince and Carol Bruno represented the OGBA. There are two new items in the budget: (1) a farm program designed to protect the individual farm owners raising the greyhounds, kind of a self inspection program; and (2) funds in the amount of \$4000 for the adoption program to assist Greg Barnard in working with the adoption groups. Steve Barham recommended approval of the budget.

ACTION: MOTION(Reid) Approve budget as submitted.
VOTE: 3 Aye, 0 Nay, 2 Excused

15. Request by OQHRA for Permission to Distribute Oregon-bred Breeder and Owner Bonus Money

Steve Barham stated this request was not received by the ORC main office until June 18th and as a result he has not had adequate time to review the distribution for accuracy. He noted there is a discrepancy in the figures provided by the OQHRA and those in the ORC auditor's reports.

ACTION: MOTION(Reid) Delegate authority to executive director to act on this request once he has reviewed the request.
VOTE: 3 Aye, 0 Nay, 2 Excused

OTHER MATTERS BEFORE THE COMMISSION:

Mr. Lee asked whether or not it might be advisable to schedule a special Commission meeting in a week to ten days when the legislature ends in case there needs to be any action taken by the Commission as a result of decisions made by the legislature regarding funding. It was the consensus of opinion to wait until the legislature has completed its session before taking any action on scheduling a special meeting since we don't know exactly when the legislative session will end.

This being George Rankins' last meeting as a commissioner, members of the Commission who were present thanked him for his contributions to the industry. Mr. Rankins closed with reflections on changes that have taken place during the time he has served on the Commission.

There being no further business, the meeting was adjourned.