



Minutes
Oregon Racing Commission
August 15, 2019

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, Aug. 15, 2019, in Room 1A of the Portland State Office Building (PSOB), 800 N.E. Oregon St., Portland, OR.

Call to Order

Chair Jan Palmer, DVM, called the meeting to order at 1:36 p.m.

In Attendance

Commissioners: Chair Jan Palmer, DVM; Vice Chair Diego Conde; Commissioner Charles Williamson

Excused

Commissioner Peggy Anderson; Commissioner Steven O'Hagan

Staff

Executive Director Jack McGrail; Catriona McCracken, Assistant Attorney General (AAG)

Agenda Items

Approvals:

Action: Approval of the meeting agenda, amended to add under New Business: Proposed Rule Revision

Moved by: Vice Chair Diego Conde

Seconded: Commissioner Charles Williamson

Vote: Commissioners Palmer, Conde and Williamson voted AYE, and the motion carried unanimously (3:0).

Action: Approval of the minutes from the July 18, 2019, ORC meeting

Moved by: Commissioner Charles Williamson

Seconded: Vice Chair Diego Conde

Vote: Commissioners Palmer, Conde and Williamson voted AYE, and the motion carried unanimously (3:0).

Old Business:

Medication and Horse Welfare Subcommittee Report

Chair Palmer reported that the subcommittee met this morning and reviewed the pre-race exam guidelines drafted by State Veterinarian Stacy Katler. The subcommittee made some changes to the guidelines and plans to implement them at the fall commercial race meet in Grants Pass.

Dr. Katler also reported on catastrophic injuries for fiscal 2018-19. There were 1.1 catastrophic injuries per 1,000 starters in Oregon, which compares favorably with the national average of 1.6 per 1,000.

Chair Palmer also reported that today is Dr. Katler's last day with the Commission, and the Commission is seeking to hire a new veterinarian.

The subcommittee also discussed potential safety issues at the Grants Pass meet, which Presiding State Steward Mike Twiggs will address with meet organizers.

Regarding the pre-race exam policy, Executive Director McGrail added that the objective will be to examine every horse and to do so before Lasix is administered. Timing issues will be worked out with the horsemen, but the likelihood is that connections for horses to be examined will be asked to be available at the barn up to a maximum of 90 minutes.

Executive Director's Report

Director McGrail reported that the four-day Tillamook race meet went pretty well except for one serious injury to jockey Jose Elias Rodriguez, who had to be airlifted to Legacy Emanuel Medical Center in Portland. Director McGrail added that Rodriguez appears to be improving.

Handle at Tillamook declined slightly from last year, he stated, probably due to small fields. Director McGrail thanked Director of Racing Don Averill, as well as fair staff and volunteers, and the horsemen for their support. He noted that Vice Chair Conde and Commissioner O'Hagan attended the meet.

Director McGrail noted that eight of 11 simulcast sites are back in operation; of the three that have not reopened, only one was generating significant handle. He noted the efforts of Richard Scheidt, on behalf of the Grants Pass operators, to get the OTBs operating. He noted there have been challenges in getting the Monarch content, which includes the summer Del Mar meet. Efforts are continuing, Director McGrail stated, and they hope to reach an agreement before Santa Anita begins in the fall. He added that although the Breeders' Cup will be contested at Santa Anita, it has its own, separate signal and contract. He stated he would put together simulcast figures for comparison before the Commission's Oct. 6 meeting in Grants Pass.

He noted that according to ADW Supervisor Connie Winn, all but one of the hubs has improved its July figures over last year, a good sign for both the industry in general and Oregon in particular.

The first day of racing in Grants Pass is Sept. 22. Director McGrail stated that he was optimistic that the purse structure will attract horsemen from throughout the Northwest.

The three-day fair meet in Burns begins Sept. 6. Director McGrail reported that purse money from three races that were not run at earlier fairs this season will be used as an incentive for horsemen to travel to Burns. The Commission brainstormed with Randy Evers of the Oregon Horsemen's Benevolent & Protective Association (OHBPA) and came up with a plan to reallocate that purse money to increase the guarantee for each horse that starts in a race in Burns. He added that the Commission is committed to keeping the Burns race meet alive.

Nationally, he noted that Keeneland and Churchill Downs have put together draft rules, which largely follow California rules, eliminating Lasix for 2-year-olds starting in 2020 and eliminating its use in all stakes races in 2021.

He noted that Dr. Stacy Katler has resigned from the Commission effective Monday and thanked her for her years of service and her knowledgeable input on medication and safety issues.

Commissioner Williamson noted that the reduction in catastrophic injuries during Dr. Katler's tenure constituted quite an achievement.

Update on TMB Racing LLC

Travis Boersma and Kendra Lellis of TMB Racing updated the Commission on plans for the fall meet. Mr. Boersma stated that significant progress has been made on the operational side, but challenges remain regarding the partnership with Churchill Downs and finalizing the lease with the Josephine County. TMB is moving forward, with Churchill a potential future partner and adviser, he noted.

TMB meets tomorrow, he stated, with Josephine County commissioners and the fair board to review TMB's counteroffer on the lease, followed by a meeting Monday to ratify the lease. Mr. Boersma noted that despite miscommunication and misunderstanding, there was unanimous support for the meet. He stated that he was optimistic that the ratification would happen Monday, but warned that if for some reason it does not, the fall meet would have to be canceled. He added that he was trying hard to prevent that.

He also noted that if a joint venture agreement cannot be reached with Churchill, TMB is prepared to "go it alone" with Churchill as a trusted adviser. He noted that at this time, the TMB license is status quo.

In response to a question about improvements, Mr. Boersma stated that the next rung would be seeking permits for a HRT (Historic Racing terminals) facility. Other improvements to the track would be done at that time, perhaps in six or eight months.

Chair Palmer urged Mr. Boersma to keep Director McGrail informed about Monday's developments.

New Business

Proposed Rule Revision

Ben Root, horse owner and trainer, proposed a revision to OAR 462-150-0040 (4) to allow a trainer or owner to enter up to three horses in an allowance or starter allowance and up to four horses in maiden optional claiming or maiden special weight races, with caveats. The current rule limits entry to two horses.

Mr. Root noted that Oregon horse racing is in a tumultuous time, as is the case nationwide. It's harder to get a horse ready to race, he stated, with fewer tracks and fewer opportunities to race. With a dwindling horse population, he added, it is not prudent to leave a horse that's ready to race in the barn, when it could fill out a field. He called his proposed amendment a modernization of an old rule from the days when horses were more plentiful, adding that the change would allow race-ready horses to run. He noted that doing so would help not only large stables, by letting them run their race-ready horses, but also the smaller stables by potentially filling races that would not have filled. Additional starters result in increased handle, he added, which in turn results in increased resources for all involved in racing.

Mr. Root stated that Oregon was behind the rest of the West Coast, citing rules and policies in Washington, California and British Columbia that allow for three horses in certain races; Hastings, in British Columbia, does not cap entries but leaves it largely to the discretion of the racing secretary. As for the fear that the third and fourth horse entered might be scratched, Mr. Root contended the same scrutiny should be applied to those horses as is currently meted to the second horse entered by one trainer.

This is Mr. Root's proposal: "Trainers be allowed to enter three horses in Allowances and Starter Allowances, and four horses in Maiden Optional Claiming and Maiden Special Weights. The third and fourth horse from a trainer, regardless of ownership, shall not exclude the entry of another, same as common or trainer ownership in two horses would not. Two horses owned by separate interests would continue to be on own merits."

He added that if this rule amendment could be implemented before the Grants Pass meet, he is certain it would result in increased entries on opening weekend.

Mr. Root further noted that under the current rule, connections of many of these horses find a way to run them anyway; the rule change would increase transparency.

Commissioner Williamson asked whether Mr. Root was aware of any opposition. Mr. Root replied that he had heard some concerns that scratching would be abused, and some concern about monopolies. He stated, however, that the benefits and transparency far outweigh the negatives. He noted that the OHBPA met yesterday, and the majority present indicated support for the proposal.

Commissioner Williamson asked Director McGrail to commence rulemaking by holding a stakeholders meeting.

Director McGrail noted that to get a rule revision in place before the commercial meet in September would require a temporary rule-making process. Before starting that, however, Director McGrail stated he would like to hear what the OHBPA says about it. Under the ordinary rule-making process, the ORC would hold a stakeholders' meeting, followed by a public comment period, he explained. OHBPA support would help with moving things forward by indicating consensus, he added.

Randy Evers of the OHBPA noted that the membership heard about this proposal for the first time last night. Two board directors were out of town and participating by phone and were hesitant to vote on the matter without having a chance to read the document. Mr. Evers added there was a lot of support among those in the room. He stated he would check with the board in the next few days and let Director McGrail know about the OHBPA's support for the amendment.

Chair Palmer asked what the potential downside of the rule amendment would be. Director McGrail noted there are always conspiracy theorists who think trainers with multiple entries can manipulate the race outcome through strategy, but noted that the stewards already deal with that possibility with two-horse entries. It is not an unsolvable problem. He noted that getting more Oregon-bred races could be a good thing for breeders.

Mr. Twiggs and Deputy State Steward Jim Smith both expressed support for the idea, provided the stewards had the discretion, as they do now, to disqualify a horse if they felt it was running interference for another one.

Chair Palmer expressed the desire to start the process, and Commissioner Williamson added it would be good to have the change in place by the commercial meet.

Contested Cases:

None

Public Comment:

Future of Racing in Oregon Group (FROG) Report

Lynnelle Fox Smith reported on behalf of FROG. She stated that FROG met this morning and agreed to fund a Welcome Back BBQ at Grants Pass. She reported that TMB will donate \$1,000 to that, and FROG will donate another \$1,000.

She also stated that FROG elected a new president: Randy Boden. Leah Nelson will continue as secretary/treasurer.

Executive Session

The Commission went into Executive Session at 2:15 p.m. pursuant to ORS 192.660(2)(i) to review and evaluate the performance of Executive Director Jack McGrail. The Commission emerged from Executive Session at 2:50 p.m.

Adjournment:

Action: Motion to adjourn.

Moved by: Vice Chair Diego Conde

Seconded: Commissioner Charles Williamson

Vote: Commissioners Palmer, Conde and Williamson voted AYE, and the motion carried unanimously (3:0).

There being no further business, the meeting was adjourned at 2:51 p.m.