



Minutes
Oregon Racing Commission
June 18, 2020

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, June 18, 2020. The meeting was held via teleconference.

Call to Order

Chair Jan Palmer, DVM, called the meeting to order at 1:30 p.m.

In Attendance

Commissioners: Chair Jan Palmer, DVM; Vice Chair Diego Conde; Commissioner Steven O'Hagan; Commissioner Charles Williamson

Staff

Executive Director Jack McGrail; Catriona McCracken, Assistant Attorney General

Agenda Items

Approvals:

Action: Approval of the meeting agenda

Moved by: Commissioner Charles Williamson

Seconded: Commissioner Steven O'Hagan

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Action: Approval of the minutes from the May 21, 2020, ORC meeting

Moved by: Commissioner Charles Williamson

Seconded: Vice Chair Diego Conde

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Old Business:

Medication and Horse Welfare Subcommittee Report

Subcommittee Chair O'Hagan reported that the subcommittee met June 2 to discuss the proposed federal legislation known as the Horseracing Integrity Act of 2019. The subcommittee's discussion focused on the proposed ban on race-day Lasix; what the implications would be for the Commission if decision-making were given to federal regulators; potential costs, particularly

to states such as Oregon that have modest horse-racing industries; and communication with Oregon's Congressional delegation.

Subcommittee Chair O'Hagan noted that Senior State Veterinarian Tom Everman told the group there was no scientific evidence that race-day Lasix increases the likelihood of injury to horses, and it can reduce pulmonary bleeding. Commissioner Palmer noted during the meeting that if Lasix were banned, bleeders would eventually be selected out of the racing pool.

Subcommittee Chair O'Hagan stated that Executive Director Jack McGrail explained that one of the act's goals is medication uniformity nationwide, but that the costs could be a downside. For example, a potential per-start testing fee of \$43 to \$45 would be significant in Oregon, and out-of-competition testing could be problematic here because of the size of the state.

Subcommittee Chair O'Hagan noted that the COVID-19 pandemic will affect the pace at which the bill moves forward. He added that Oregon's legislators have not sought information from the Commission.

Next steps, he added, are getting approval from the Governor's Office to reach out to our Congressmen/women and figuring out what the potential costs of the bill, which contains no funding provision, would be to Oregon.

Executive Director Jack McGrail noted that he participated last week in a conference call with the Association of Racing Commissions International (ARCI), but it did not shed any light on the cost issue. That group had a different proposal for a compact; they are not against uniformity, but do not think the U.S. Anti-Doping Agency (USADA) is the appropriate body to conduct tests. Much confusion remains. Director McGrail added that the Governor's Office had asked him to wait until after the start of the fiscal year to contact them – this is not a priority right now.

Executive Director's Report

Director McGrail reported that the Legislative Emergency Board approved the Commission's budget on June 12.

Grants Pass Downs opened for racing Tuesday, with three new part-time employees on the ORC staff: Mary Nichols and Kari Jorgensen in the test barn and investigator Mike Gentile. He noted that Curtis Linnell of the Thoroughbred Racing Protective Bureau was on site to train staff in identification via digital tattoos.

On the national level, he noted, California and Kentucky have passed new rules on crop use. These jurisdictions are often a harbinger for regulations elsewhere, he added.

Although there is an opening on the Commission, no new commissioners are being considered, he noted. That will not change until September at the earliest.

Director McGrail also stated that TMB Racing has transformed Grants Pass Downs into a first-class facility, providing a morale boost to the industry resulting in a palpable sense of optimism about Oregon horse racing that has been missing for some time.

Grants Pass Downs (GPD) Report

Randy Evers, president of GPD, reported that the first two days of racing have been completed without injuries, and the track surface has received rave reviews from riders. Tuesday's handle was \$180,000 and Wednesday's handle of \$233,000 broke an all-time record. With no fans on the track, this was largely internet wagering, he noted. Each day saw five 10-horse fields (on eight-race cards), he noted, and full fields are an important driver of wagering. Most of the remaining races drew eight or nine horses.

Mr. Evers stated the meet has a new, state-of-the-art video production company that covers most of the major tracks in California, and the stewards report that the closed-circuit system is good. Jason Beem has been hired as the announcer. GPD is on all major ADWs licensed in Oregon, he added. TVG gave the meet some promotion, although the races were not shown; Mr. Evers stated he hopes that will change as the meet gets bigger. Although the race attendance is closed to the public, about 80 owners and guests were on the grounds by invitation Tuesday and 60 on Wednesday. All in all, the meet is off to a good start, he stated.

New Business

Discussion and Possible Approval of Xpressbet, LLC, Multi-Jurisdictional Simulcast Hub license

ADW Supervisor Connie Winn stated that the Commission is considering a three-year license renewal for Xpressbet, LLC, one of the agency's larger ADWs. All her remarks on the application were positive, she stated, and she recommended the Commission approve the renewal.

Action: Approval of license renewal for Xpressbet, LLC, Multi-Jurisdictional Simulcast Hub

Moved by: Commissioner Charles Williamson

Seconded: Vice Chair Diego Conde

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Discussion and Possible Approval of Tote Company License Renewals

Ms. Winn stated that the tote company licenses are renewed annually. Licensees up for renewal are: AmTote International, United Tote, Sportech PLC, Colossus Bets Limited, Exacta Systems, and i-NEDA Ltd. Ms. Winn reported that all had met the criteria for renewal and she recommended the Commission approve the renewals.

Assistant Attorney General Catriona McCracken noted that Colossus Bets and i-Neda had application information listed as pending. Ms. Winn explained that Colossus Bet's payment was pending but not due until July 1. Additionally, i-Neda is an international company and is pending a business registration, which is simply awaiting processing by a state office in Salem. She noted.

Action: Approval of tote company license renewals for AmTote International, United Tote, Sportech PLC, Colossus Bets Limited, Exacta Systems, and i-NEDA Ltd.

Moved by: Commissioner Charles Williamson

Seconded: Vice Chair Diego Conde

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Discussion and Possible Approval of 2020-21 Grants Pass Downs Race Meet License Renewal

Ms. Winn stated that the application for the Grants Pass Downs meet is complete, including race dates, and she recommended approval. Race days are Sundays and Mondays, Sept. 20 through Nov. 9, 2020; and Sundays and Mondays, May 2 through June 28, 2021, with no racing June 13 and 14.

Action: Approval of race meet license renewal for Grants Pass Downs

Moved by: Commissioner Charles Williamson

Seconded: Commissioner Steven O'Hagan

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Report and Discussion of ADW Annual Reviews

Ms. Winn reported that she had conducted reviews on nine ADWs: AmWest Entertainment, LLC, dba AMWager; Churchill Downs Technology Initiatives Company, dba TwinSpires; ELS Gaming, LLC, dba Luckii.com; Game Play Network, dba b Spot; NYRA Bets, LLC; ODS Technologies, LP, dba TVG; Premier Turf Club, dba Bet PTC; Sportech PLC, dba eBet Technologies Inc.; and US Off-Track, LLC, dba Greyhound Channel. No action on the review is required by the Commission.

As part of her review, she verifies, among other things, that individuals are licensed, bonds and source market agreements are up to date, the companies are registered to do business in Oregon, and that all audits are completed. She stated she is not conducting on-site audits this calendar year because of COVID-19 travel restrictions, but is continuing paper audits.

Director McGrail noted that much of the audit information also comes to the agency through tote reports. He added that the Commission is required by the rules to do audits biannually, but it has been the agency's practice to do them every six months because of the importance of oversight.

Counsel McCracken noted that the source market fee agreements expire this month. Ms. Winn responded that they are in or in the works, and that was a matter between each ADW and TMB Racing.

Discussion and Possible Approval of Rule Amendment to [OAR 462-220-0030\(1\)\(b\)](#) (Approval for a License for a Hub Operation)

Director McGrail explained that the proposed amendment would allow a hub operator to pay its license quarterly instead of having to pay the total in advance by July 1. There are no negative ramifications to the Commission, he added. The amendment helps an ADW operator to spread out costs by paying them four times instead of once.

Action: Approval of amendment to OAR 462-220-0030(1)(b)

Moved by: Commissioner Charles Williamson

Seconded: Vice Chair Diego Conde

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Discussion and Possible Appointment of Commission Chair and Vice Chair for July 2020-June 2022

Chair Palmer proposed the new Commission officers be Diego Conde as chair and Steven O'Hagan as vice chair. She stated that she hoped some new candidates would join the Commission, as it is good to get new ideas and perspectives. She added that she has enjoyed her decade of service, but is ready to move on.

Action: Appoint Diego Conde as Commission chair and Steven O'Hagan as vice chair

Moved by: Commissioner Charles Williamson

Seconded:

Vote: Commissioners Palmer, Conde, Williamson, and O'Hagan voted AYE, and the motion carried unanimously (4:0).

Discussion and Possible Approval of Commission Subcommittee Assignments

Chair Palmer suggested no changes to subcommittee assignments be made at this time because the Commission is short one commissioner. The rest of the Commission agreed to let the assignments stand for now.

Other Business as May Properly Come Before the Commission

None

Public Comment:

Leah Nelson of the Oregon Quarter Horse Racing Association reported that the trials for the Firecracker Futurity were held yesterday in Grants Pass, with 41 horses contesting 10 finalist positions. The futurity will be July 6 with a purse of \$60,000. In response to a question, she noted that more than \$40,000 of that amount comes from owners, with hub funds also contributing.

Contested Cases:

None

Confirmation of next meeting:

The next Commission meeting will be at 1:30 p.m. July 16, 2020, location to be determined.

Adjournment:

There being no further business, the meeting was adjourned at 2:15 p.m.