~~**462-220-0100**~~
~~**Advanced Deposit Wagering on Past Live Racing Products**~~

~~(1) "Animal Races", when used in ORS 462.725, means pari-mutuel wagering on all forms of animal racing authorized by the Commission including but not limited to live animal races and previously held animal races. When used pursuant to ORS 462.725, previously held animal races include, but are not limited to, audiovisual, audio or other forms of recordings of historical animal races in addition to virtual depictions (animated, computer simulated or other artificial representation) of previously held animal races.~~

~~(2) "Past live racing product" means a real time pari-mutuel race that is created by a multi-jurisdictional wagering hub utilizing past live race results, which have been archived and randomly selected, to rebroadcast the past live race for simulcast wagering purposes.~~

~~(3) Operations.~~

~~(a) The race card will be selected at random from the library of live races previously run.~~

~~(b) The player will be provided with three or more data points of past live race performances showing the relative merits of the contestants.~~

~~(c) The data points may be adjusted by the hub to protect against the unmasking of the actual race and such adjustment will be subject to confidential review by and approval of the Oregon Racing Commission.~~

~~(d) The takeout rate may not exceed 22% unless otherwise approved by the Oregon Racing Commission upon request from the Hub. Subject to that restriction, the takeout rate shall be set by the multi-jurisdictional wagering hub licensee and reported to the Oregon Racing Commission.~~

~~(e) Only contests that were held at licensed racetracks may be used, and the race track shall have licensed its intellectual property, including the right to use the past live race results, to the multi-jurisdictional wagering hub, either directly or indirectly, for such use.~~

~~(f) The contests contained in the library need not have the same number of entrants.~~

~~(g) Any winnings may be collected through the account wagering hub.~~

~~(h) All wagers must be processed through a totalizator company, which is licensed by the Oregon Racing Commission.~~

~~(i) The method of randomly selecting the race cards shall be certified by an independent auditor that is approved by the Oregon Racing Commission.~~

~~(j) Any incidents that impact the account holders must be reported in an incident report to the Oregon Racing Commission within 48 hours of discovery.~~

~~(k) All equipment used to operate past live racing products shall be located in the state of Oregon.~~

~~(l) All wagers placed on past live racing products are subject to the "source market fee" provision of these rules.~~

~~(m) Incidental to the wager on past live races, the hub shall broadcast the race, including finish, using either the actual audio-video of the past live race or a virtual audio-video of the past live race that replicates, at a minimum, the finish of the past live race.~~

~~(4) Commission Approval.~~

~~(a) A full plan of operations must be submitted to the Oregon Racing Commission prior to approval of the past live racing product, and such plan must include the following:~~

~~(A) The type of races to be approved.~~

~~(B) The jurisdictions in which the product will be available.~~

~~(C) The wagers that will be accepted.~~

~~(D) The days and hours of wagering operations.~~

~~(E) The practices and procedures that will ensure the security of the account holders.~~

~~(F) The maintenance and repair procedures that will ensure the integrity of all product components.~~

~~(G) Such other information as may be required by the Oregon Racing Commission.~~

~~(b) The independent testing laboratory will supply the result of its review directly to the Oregon Racing Commission, and such review will include without limitation:~~

~~(A) The addition of cryptographic hash values or similar approved signatures to all relevant software.~~

~~(B) A description of the system including components, operations and processes.~~

~~(C) A review of the software's source code and, if relevant, any interaction of the past live racing product's software system with the totalizator's software system.~~

~~(D) A description of system subcomponents.~~

~~(E) A list of the pool types, takeout and commission.~~

~~(F) A statistical validation of the number of available races.~~

~~(G) A review of the functionality of the eRDC or equivalent.~~

~~(H) The testing and validation of handicapping data.~~

~~(I) Performance of a controlled Pari-Mutuel Pool Accounting test, which includes the tracking of wagers placed and wagers won or lost for each race, the reconciliation of the account balance in the totalizator system, and the verification that all money wagered was properly distributed in a pari-mutuel fashion, in accordance with the software guideline document.~~

~~(J) Verification of all possible race outcomes.~~

~~(K) Verification of system functionality and integrity.~~

~~(5) Any changes or modifications to the live past racing product's software, hardware, wagers or operations will require approval by the Oregon Racing Commission. The Executive Director shall determine if such change requires a third party independent laboratory review. If it is determined by the Executive Director that a third-party review is warranted the following shall apply:~~

~~(a) Review of the changes or modifications to the software, hardware or related components of the past live racing product (by the third party independent laboratory).~~

~~(b) Such review will include, but is not limited to, all of the following that are deemed relevant by the Executive Director:~~

~~(A) A review of product changes and comparison against documented changes.~~

~~(B) A verification that modifications accurately produce the past live racing product.~~

~~(C) A review and comparison of hash signatures against past hash signatures for the software, totalizator interface and eRDC.~~

~~(6) Additional Requirements.~~

~~(a) The Multi-jurisdictional wagering Hub shall not offer any additional wagers on any racing products without written approval by the Oregon Racing Commission.~~

~~(b) The Oregon Racing Commission shall have complete access to all security information and data, including but not limited to accounting, security systems, software, hardware and related components, and reports.~~

~~**Statutory/Other Authority:** ORS 462.725, ORS 462.073~~
~~**Statutes/Other Implemented:** ORS 462.725, ORS 462.073~~

Reason for rule being repealed:

Oregon Revised Statute 462.155 (3) Subsection (1) of this section does not apply to a race meet operator described in ORS 462.057 (2). Subsection (1) of this section does not authorize off-race course wagering or multi-jurisdictional simulcasting for horse races previously held.

This statute makes past live racing products illegal.