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Minutes
Oregon Racing Commission
July 20th, 2023

Meeting Detail

The Oregon Racing Commission (ORC) met at 1:30 p.m. Thursday, July 20, 2023, via Zoom videoconference.

Call to Order

Chair Charles Williamson called the meeting to order at 1:30 p.m. and conducted roll call.

In Attendance

Commissioners: Chair Charles Williamson; Vice Chair Margaret Doherty; Commissioner Jan Palmer, DVM; Commissioner Quinn Berry

Staff: Executive Director Connie Winn; Karen Parkman, Program and Administrative Coordinator; Catrina McCracken, Assistant Attorney General (AAG)

Excused

Commissioner Diego Conde

Approvals:

Action: Approval of the agenda, with a change to the next meeting date. The next meeting will be 21st, 2023 at 1:30 p.m. via Zoom.

Moved by: Commissioner Palmer

Seconded: Commissioner Doherty

Vote: Commissioners Williamson, Doherty, Berry and Palmer voted AYE, and the motion carried unanimously (4:0).

OLD BUSINESS:

Executive Director's report

Executive Director Connie Winn reported that Southern Oregon Horse Racing Association (SOHRA) and Crooked River Round Up (CRRU) racing has been concluded. She thanked the staff and involved individuals for their hard work and ensuring the safety, prosperity, and integrity of both meets. Both meets were successful. The track surface at Grants Pass Downs (GPD) was excellent and had been improved at Prineville. There was a growing interest in

participation at the CRRU meet, with trainers, owners, and horsemen/woman attending the meet who had not partaken in previous years. Both fair meets will give their own full reports in the fall.

Advanced Deposit Wagering (ADW) Committee report

Commissioner Conde was called away on other business and could not attend the ADW meeting at 11:00 a.m. today. Director of Mutuels for the ORC, Micah Lloyd, reported on behalf of the committee that Premier Turf Club is in the process of being acquired by Fanatics Betting and Gaming. He reported that on May 14, 2023, Fanatics Gaming entered an agreement to acquire PointsBet dba Premier Turf Club. Fanatics Gaming has historically operated a business of selling sports memorabilia and merchandise, but now wishes to open an online sports wagering platform and online casino gaming platform in authorized jurisdictions, retail sports wagering facilities in certain states, and ADW operations in certain states. Fanatics has supplied company information to the ORC for review in compliance with Oregon law. Individual staffing licenses will be remaining the same for Premier Turf Club, and key management personnel for Fanatics Gaming have undergone all licensing requirements and individual ORC licenses have been issued. The company review has been completed and the summary included in the commissioner meeting packet. No issues were noted. Mr. Lloyd recommends the ORC approve the 100% acquisition of PointsBet dba Premier Turf Club by Fanatics Gaming and Betting.

Chair Williamson reported that the ADW committee also recommends approval after review during their meeting. He also thanked the representatives of Fanatics Betting who were present for joining the meeting.

Action: Approve the acquisition of PointsBet dba Premier Turf Club by Fanatics Gaming and Betting.

Moved by: Chair Williamson

Seconded: Commissioner Palmer

Vote: Commissioners Williamson, Doherty, Berry and Palmer voted AYE, and the motion carried unanimously (4:0).

NEW BUSINESS:

Report from HRA

Rod Lowe reported that HRA had a successful first commercial meet for 2023 with races starting on June 16th. This was an all-Quarter Horse day, with two American Quarter Horse Association (AQHA) challenge races, four Firecracker Futurity trial races, one maiden race, and one allowance race. There were 1,485 in attendance and a first day handle of \$25,637. 53 horses started, with an average field of 6.63 horses per race. The leading jockey for the meet was Santiago Hernandez, the leading trainer Hector Magallanes, and leading owner Boardshorts Stables.

The HRA is preparing for their fall commercial meet, which starts racing on September 3rd. Races will begin with a 1 p.m. post time on September 3rd, 4th, 17th, and 24th, a 5 p.m. post time

on September 11th, 18th, and 25th and on October 2nd and 9th, and a 4 p.m. post time on October 1st and 8th. Horsemen will be able to move into the backside on August 28th.

Mr. Lowe reported that the contract with the off-track betting sites (OTBs) MHS Solutions will not be renewed. However, the HRA has hired Richard Sike to assist in strengthening and growing the OTB network. As of July 16th, the 2023 OTB handle was \$7,066,910 and the 6-month average monthly handle was \$1,080,280. Richard has now been on board for about a month. This new step to grow the OTBs will help with statutory moneys, purse money, and support the industry, including the ORC. HRA is working on some contract amendments and working more closely with the OTBs, as well as looking to open a few new ones.

Committee assignment for new commissioner

Chair Williamson reported that after discussion with Director Winn and Commissioner Berry, that Commissioner Berry should be assigned to the ADW committee. Chair Williamson resigned his position on the committee.

AAG Catrina McCracken, standing in for Kelly Route, recommended an official vote be held.

Action: Assign Commissioner Berry to the ADW committee in place of Chair Williamson.

Moved by: Commissioner Palmer

Seconded: Commissioner Doherty

Vote: Commissioners Williamson, Doherty, Berry and Palmer voted AYE, and the motion carried unanimously (4:0). (00:14:00)

Review proposed Hub Fund Audit Assurance Program

Director Winn reported that the commissioners had given permission to begin the rule making process during the June meeting. However, after discussions with industry partners, she would like to table this item for a later meeting. An advisory meeting will be held with industry partners after the race season ends so that they can make a few modifications and recommendations prior to official approval.

Audit Updates

Director Winn reported that an official release date in early August has been set for the Secretary of State ORC audit. She thanked the audit team for their hard work over the last 20 months, and she stated that the ORC is already implementing known recommendations. Further, the ORC will continue to evolve with suggestions and new findings to best serve the racing industry and industry partners.

Best Practices Review

Director Winn reported that each commissioner had filled out a Best Practices scorecard, which was included in the meeting packet. She recommended the commissioners discuss the results.

Chair Williamson stated that upon reviewing the scorecards, he felt the response was positive and that unless the other commissioners had any further comments or suggestions there was no need for further discussion.

Commissioner Palmer asked if there was a Best Practices committee.

Director Winn reported that the commissioners had elected to disband the Best Practices committee a year ago.

AAG McCracken stated that best practices reviews are required by the Governor's Office. The commission may decide how they would like to conduct the review, but it must be done.

Commissioner Palmer suggested that the current scorecard and the questions on it are ineffective.

Administrative Program Coordinator, Karen Parkman responded that the scorecard questions are assigned thru legislation, and she was under the impression that changes to the scorecard would have to go through the agency LFO and legislative approval process.

AGG McCracken confirmed that any changes would need to go through the LFO, and recommended knowing exactly what changes the agency wanted to make before asking for alterations to the scorecard. She recommended these changes be discussed and decided upon by a formal committee.

Chair Williamson stated that he believed the current process was fine.

There was no further discussion on the topic.

Request permission to start the rule making process for the following rules:

462-220-0030 – Requires all new licenses to be reviewed for compliance with Oregon law.

462-220-0070 – Requires annual audits to include review for compliance with Oregon law.

Director Winn reported that fiscal and advisory committee meetings with the ADWs would need to take place prior to the start of rulemaking. Going forward, these rules would require a longer process than previous rules.

Chair Williamson suggested amending “the review shall provide for an onsite visit” to something that allows for an onsite review at the agency's request, but does not require it.

Director Winn stated that the Department of Justice (DOJ) had made further edits, which will be incorporated and be included in the rule filings prior to official approval.

Action: Approve starting the rule making process for the above stated rules.

Moved by: Commissioner Palmer

Seconded: Commissioner Berry

Vote: Commissioners Williamson, Berry and Palmer voted AYE, and the motion carried unanimously (3:0). It was noted by Chair Williamson that Commissioner Doherty had left the meeting. She reconnected after the vote had occurred.

PUBLIC COMMENT:

None

CONTESTED CASES:

None

CONFIRMATION OF NEXT COMMISSION MEETING:

The next commission meeting is scheduled for September 21st, 2023, at 1:30 P.M. via ZOOM.

ADJOURNMENT:

Action: Adjourn meeting

Moved by: Commissioner Berry

Seconded: Commissioner Palmer

Vote: Commissioners Williamson, Doherty, Berry and Palmer voted AYE, and the motion carried unanimously (4:0).

There being no further business, the meeting was adjourned at 1:58 p.m.