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Minutes
Oregon Racing Commission
April 18, 2024

Meeting Detail

The Oregon Racing Commission (ORC) met at 1:30 p.m. Thursday, April 18th, 2024, in-person in room 1A of the Portland State Office Building and remotely via Zoom videoconference.

Call to Order and Roll Call

Chair Margaret Doherty called the meeting to order at 1:30 p.m. and Connie Winn conducted roll call.

In Attendance

Commissioners: Margaret Doherty, Quinn Berry, Diego Conde, Scott Beckstead, and Lindsay Fowler.

Staff: Executive Director Connie Winn; Kelly Routt, Assistant Attorney General (AAG)

Excused

None

Absent

None

Approvals:

Meeting Agenda

Action: Approval of the April meeting agenda.

Moved by: Commissioner Conde

Seconded: Commissioner Fowler

Vote: Commissioners Doherty, Berry, Conde, Fowler and Beckstead voted AYE, and the motion was carried unanimously (5:0).

Meeting Minutes

Action: Approval of the February 2024 meeting agenda

Moved by: Commissioner Fowler

Seconded: Commissioner Conde

Vote: Commissioners Doherty, Berry, Conde, Fowler and Beckstead voted AYE, and the motion was carried unanimously (5:0).

Action: Approval of the March 2024 meeting minutes.

Moved by: Commissioner Conde

Seconded: Commissioner Fowler

Vote: Commissioners Doherty, Berry, Conde, Fowler and Beckstead voted AYE, and the motion was carried unanimously (5:0).

OLD BUSINESS:

Executive Director's report

Director Connie Winn welcomed two new members to the ORC staff. Chris Montecino is the new Chief Investigator. He has a background as a regulatory specialist with the OLCC, in addition to 6 years of US Army service and roles as a loss prevention officer and firefighter. She thanked Investigator Mike Gentile for serving as interim Chief Investigator and ensuring the continued operations of ORC licensing during the recruiting period. Secondly, she welcomed Kayla McClure as the new Test Barn Assistant, who has extensive experience in equine training and management.

Director Winn reported that equine hair testing will be occurring on June 29th at Grants Pass Downs for the Crooked River Roundup Challenge.

She reported that going forward, the ORC asks that any proposed agenda items and supporting documentation be submitted to the administrative office by the start of each month, to allow ample time for approvals, material review, and proper distribution of materials. Any submissions received after the deadline will be deferred to the subsequent meeting.

Director Winn reminded all that effective July 1, 2024, the ORC will be transitioning to Microsoft Teams for all communication, including meetings. This will increase integration with current technologies and increase capabilities not currently available. She urges all to become familiar with Teams before the July meeting. A software download link has been provided on the ORC homepage.

Advanced Deposit Wagering (ADW) Committee Report

Commissioner Conde reported that the ADW Committee met earlier that day. This was a check-in meeting to discuss the current state of the ADW industry, which is currently strong. The data on current handles will be posted in the upcoming weeks, but overall data trends show growth.

The total for the calendar year is expected to be approximately \$1.5 billion. There are not any licenses currently up for renewal, the next renewals occur in 2026. The ADW committee is hoping to facilitate an in-person ADW meeting in the fall.

Strategic Plan – Continue Review

This is a continued discussion from last month and review for the commissioners who were not in last month's meeting. Commissioner Beckstead reported that he had read through the Strategic plan and made some notes. Commissioner Berry had not yet read through it. Director Winn reported that Commissioner Beckstead was the chair of the original committee and reviewed the initial proposal.

Director Winn gave a high-level overview of the Strategic Plan, sharing the vision statement, core values, mission, history, equity statement, and goals. She reported that this document has been reviewed by the governor's office and received positive feedback. It started in an internal committee, then opened to all staff, and has since been reviewed by the tribes, other jurisdictions, the industry, and interested parties. One point that came from the industry was a recommendation to add promotion of equine care and retirement to the values.

Commissioner Beckstead commented that he is pleased that the ORC is prioritizing the welfare of the athletes, both human and equine. It is his belief that public perception that equine welfare is subordinate to owner or industry interests poses an existential threat to the future of racing. Therefore, clarifying that this is a top priority of both the agency and the industry is paramount. He has been gratified that every industry and commission member he has spoken to has been genuine in the prioritization of equine welfare.

Chair Doherty stated that she appreciates that the Strategic Plan is one that is practical and doable, which is often an issue with these kinds of documents. She feels that problems the agency has or has had are addressed. She thanked all who worked on it.

Director Winn recommended accepting this Strategic Plan so it can be included in the budget packet.

Action: Accept the ORC Strategic Plan.

Moved by: Commissioner Fowler

Seconded: Commissioner Conde

Vote: Commissioners Doherty, Berry, Conde, Fowler and Beckstead voted AYE, and the motion was carried unanimously (5:0).

NEW BUSINESS:

Approve HRA application.

Rod Lowe presented the HRA application. Director Winn thanked him for the submission and for additional requests for additional information. She stated he did a wonderful job compiling the required information, and that there are only a few pending items because it is too early in the year to have them. Therefore, this is a provisional approval. The pending items are jockey insurance, which is still pending a rate, and proof that the bond is autorenewal, which requires it to cycle through one renewal, and the public liability insurance. The only other thing is that the state license will need to be renewed in May. She recommended provisional approval of the racing license.

Rod Lowe thanked the commission for the opportunity to keep commercial racing alive in Oregon. He stated they would do their best to put on a good meet and continue to promote off-track betting sites.

Commissioner Beckstead asked if this approval was an annual process that would occur again next year. Director Winn responded that was correct, however if the commission wanted to consider a longer period of approval, they could look at changing the current rule. Chair Doherty stated that she felt that was an excellent suggestion and worth bringing up at a later meeting. Rod Lowe stated that race dates and insurance would still need annual review, but the rest stays mostly the same. Director Winn commented that the ADWs go through a similar process and have the option of applying for a 1, 3, or 5 year permit with annual reviews. One pro to that could show an increased sense of stability in the industry. An annual checklist could be created, which would be reviewed by the Director of Mutuals, Dawn Rome, and gone over with Mr. Lowe. She could certainly work on a proposal or rule change if the commission wanted.

Action: Provisional approval of the HRA application.

Moved by: Commissioner Conde

Seconded: Commissioner Fowler

Vote: Commissioners Doherty, Berry, Conde, Fowler and Beckstead voted AYE, and the motion was carried unanimously (5:0).

Chair Doherty recommended that in the next 3 to 4 months it makes sense to review the application process to save time and streamline the process. Director Winn commented that like the ADW process, any change to any portion of the application would necessitate the submission of a one page explanation of the change of operation and the ORC would need to approve. Rod Lowe thanked the commission.

Report on Veterinarian Conference – Dr. Tom Everman, DVM

Dr. Everman reported he has attended the Racing and Medication Continued Education for Racing Regulatory Veterinarians conference every year for the last 4 years, since joining the commission as the state regulatory veterinarian in 2019. This is the only continued education program that exists that is designed specifically for racing regulatory vets and was first formed in 2001.

Attendance is usually maxed out and is hosted at a different race track every year. This year it was at Santa Anita. It must occur in-person at a racetrack because it includes a stall side hands-on pre-race exam education.

The agenda this year focused on the topics of sudden deaths, postmortem exams, salvage surgery, wearable technology, and intra articular injections. The discussion on sudden deaths focused on what to do if a horse dies suddenly. He thanked Director Winn for making postmortem examinations mandatory for all deaths at the racetracks either at Washington State University or Oregon State University. A flash drive was given to all attendees with a presentation on how to conduct postmortem exams.

The discussion on salvage surgery addressed a possible option for injured racehorses, however surgery is expensive as is recovery and rehabilitation. Most of the horses who receive these surgeries will be unsuitable for any athletic performance, so the cost of retirement care is also a consideration. There was a pony horse at Santa Anita that had received salvage surgery, and it can be a viable option for mares, and occasionally stallions, who have value for breeding. However, it makes less sense for geldings and most stallions if they won't have viable options for off-track careers after recovery.

The discussion on wearable technology reviewed several different options. However, they are not diagnostic and require multiple uses, each of which are expensive. The results are sent to the owner/trainer, not the veterinarians, which may be left in the dark. All these technologies are in the testing phase, and none are ready for diagnostic use. The other consideration with this technology is how it affects handicappers and the betting public, which is currently unknown. Commissioner Fowler asked if these technologies are accurate? She stated that she uses one when exercising her horse which provides her with her a ton of data that is widely inaccurate. Dr. Everman responded that, in his opinion, none of these are ready for prime time, with Stride Safe probably being the furthest along. Commissioner Fowler thanked him for his response. Dr. Everman concluded that at this point the technologies are experimental, and does not feel any would be beneficial for racing in Oregon at this time.

The discussion on intra-articular injections covered polyacrylamide gels, which are a new technology. These gels are a foreign body that stay in the joint space and are not absorbed into the bloodstream, so they cannot be tested for. They require a high level of asepsis, so the risk of infection is a major concern. If contamination leading to infection occurs, the injection cannot be removed. It is being used in other states, but not yet in Oregon. Several products are available on the market but require use by vets who are very careful about sanitation. They are effective in relieving lameness in the joint for up to two years, which is significant. Because they are not detectable it would be difficult to regulate, and care needs to be taken in how it is used in racehorses.

Dr. Everman reported that this year's conference was largely run by HISA, and they hosted several of the discussions. A high percentage of Thoroughbred tracks in the US are now under HISA jurisdiction, and their influence continues to increase.

Dr. Everman stated that one key takeaway he got was preparation, and he has already spoken to Rod Lowe about preparations for Grants Pass Downs with the gate crew. He stated annual training should occur as the gate crew is the first to respond in the case of an emergency on the track. It is not practical to rely on the pony people if a horse is injured, as they have their own horses to take care of and have other duties. Therefore, the gate crew are usually the first on the scene, followed by the track veterinarian to evaluate the horse and make a prognosis. The gate crew will also be trained in how to operate the equine ambulance, so that the horse can be moved off the track as safely and quickly as possible if it cannot move off on its own. Whether the injury is minor or serious, it is important to get the horse out of the public eye. Rod Lowe is also able to operate the ambulance. That said, being prepared before an event occurs is key.

Dr. Everman thanked the commission for their time and the opportunity to meet in person.

Discussion and possible adoption of the ORC Slaughter Statement

Director Winn presented the Slaughter Statement, which was requested by Commissioner Beckstead as part of the strategic planning process. She reported that if the commission approved of the statement there is a place on the ORC website for it to be posted. That said, the ORC can only make a statement, as regulatory control is not feasible. Even for the tracks themselves, even if they have anti-slaughter policies in place, enforcement is not possible. However, having an official stance on the subject can be beneficial.

Commissioner Beckstead reported he is mindful of the commission's limitations to make a formal statement, let alone set requirements for owners. That said, he feels it is important for the commission to show their commitment to the welfare of the horses and should at least discuss it. He reported that a 2022 poll revealed that 83% of Americans are strongly apposed to the slaughter of American horses for human consumption. There are not any equine slaughter facilities in the U.S., which means the horses are shipped to Mexico or Canada, with the majority going to Mexico. Commissioner Beckstead reported that a former organization he worked with commissioned an investigation into the horse slaughter plants in Mexico and Canada by Animals' Angel, which documented the conditions of the horses from shipment to slaughter which were too horrific to discuss here. Horses ranged from plow horses to BLM mustangs to retired racehorses to pet ponies and is made up of kill buyers and dealers who skirt the rules and do not care about equine welfare. Every year a bill against the slaughter and exportation of horses for slaughter appears in congress and gets a majority vote only to die due to opposition by the American Veterinary Medical Association (AVMA) and AAEP, who characterize slaughter as a humane form of euthanasia.

However, most in the industry would argue that humane euthanasia is a quiet, dignified death surrounded by loving people the horse knows assisted by their vet. It has been the fight of Commissioner Beckstead's life to ensure that no American equine would suffer so horribly in its final days. That said, he has been very impressed by the strides that the Thoroughbred industry is making to ensure retirement options for racehorses and the strong opposition the Jockey Club has actively taken against horse slaughter. He feels it would speak very strongly of Oregon, this body, and the horsemen and women involved in the industry. Even if regulation is not possible, and perhaps not even a statement against horse slaughter, but just something stating that it is a priority to ensure every effort is made to find good homes for the horses when their racing careers end. Another issue with equine consumption he reported is the issue of food safety, as the medical records and recent drug administration is unknown. Therefore, this is a welfare, safety, and economic issue. Live horses support a host of related industries, but once they are dead their contribution to the economy dies with them. It is an important topic for him, and he feels it is so important for the commission to discuss this topic and promote retirement options for racehorses. Commissioner Beckstead reported he joined the commission because he adopted a retired racehorse who became the best horse ever, and he believes that a burning desire to compete and perform is probably true of all retired racehorses.

Chair Doherty asked if the statement had been vetted by legal. Assistant Attorney General, Kelly Routt, stated that she has some recommendations to ensure the statement stays within the authority of the commission and aligns with the Oregon constitution. Chair Doherty expressed that the idea is sound but ensuring it won't run into any legal hoops is important, so it needs to be vetted.

Commissioner Conde stated that he did not know why it would be necessary to soften the language if it was just a statement. He also challenged Executive Director Winn to explore measures that could be taken to make this an enforceable policy that is strong and has some teeth. Chair Doherty asked the AAG to look into that as well. Commissioner Fowler agreed that if it could be given teeth that is a good thing, but she likes the statement as it is written. She also stated that the commission could maybe have a list of second chance racehorse rescues and retirement programs for people to go to. Executive Winn responded that the ORC already has a list of some known organizations linked on the website.

Request permission to begin the rule making process for 462-220-0010 – Definitions – Amendment Affiliate

Director Winn reported that this amendment has some grammatical corrections and clearly defines what an affiliate is, which was previously left assumed. She recommends moving forward with the rule making process.

Action: Approve the rule making process to begin for 462-220-0010.

Moved by: Commissioner Fowler

Seconded: Commissioner Beckstead

Vote: Commissioners Doherty, Berry, Conde, Fowler and Beckstead voted AYE, and the motion was carried unanimously (5:0).

Discussion and possible adoption of the proposed rule filing 462-150-0060 (k).

Director Winn reported that this rule change is not in the packet, but was largely taken on by presiding steward Mike Twiggs, who diligently worked on this project. Through his inquiries to try to establish regulations for Oregon, the entire industry, including HISA, AQHA, and ARCI are now working on this. Therefore, this rule change is being tabled until a new industry standard is released.

PUBLIC COMMENT:

Leah Nelson commented that the AQHA also has a 2nd career program for retired racing Quarter Horses and that she can share that information with the commission.

Dr. Alice Lombard commented that she encourages the commissioners to come out to the races and see what is happening on the ground and get an in-person sense of what they are working so hard on.

CONTESTED CASES:

None.

CONFIRMATION OF NEXT COMMISSION MEETING:

The next commission meeting is scheduled for May 16th, 2024, at 1:30 P.M. remotely via Zoom videoconference.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 2:40 p.m.