



Minutes
Oregon Racing Commission
Jan. 19, 2023

Meeting Detail

The Oregon Racing Commission (ORC) met at 1:30 p.m. Thursday, Jan. 13, 2023, in Room 1A of the Portland State Office Building, 800 N.E. Oregon St., Portland, Ore.

Call to Order

Chair Charles Williamson called the meeting to order at 1:30 p.m.

In Attendance

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

Staff : Executive Director Connie Winn; Catriona McCracken, Assistant Attorney General (AAG)

Agenda Items

Approvals

Action: Approval of the meeting agenda, amended to add approval of the minutes from November 2022

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

Action: Approval of the minutes from the November 2022 meeting

Moved by: Commissioner Diego Conde

Seconded: Vice Chair Margaret Doherty

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

Old Business

Executive Director's Report

Director Winn reported that Joree Scriver, a leading jockey at Grants Pass Downs, was seriously injured in a racing accident at Sunland Park in New Mexico. A GoFundMe account has been set up for her at [Recovery Funds for Joree's Journey](#).

Director Winn noted that with a new governor in office, all agencies have been directed to take steps to improve customer service, begin a new round of strategic planning and modernize.

She also congratulated Program & Administrative Coordinator Karen Parkman on receiving the Gold Star certificate for accurate and complete accounting records.

Quarterly handle numbers for all but two of the ADWs are down slightly from last year, Director Winn reported, but they are in line with pre-pandemic numbers.

She reported that March 31 will be the agency's last day in the Portland State Office Building. Also, the agency is hiring Terry Crystal as deputy steward, a full-time seasonal position.

Budget Committee Report

Committee Chair Palmer explained the Budget Committee's recommendations for three things: allocation of monies left at the end of the 2021-23 biennium; redistribution of hub funds originally allocated to TMB Racing to HRA LLC; and allocation of projected hub funds to the fair meets for 2023-25. She noted that the committee's recommendations aimed to increase purses at the fairs to a base of \$4,000 per race. Commissioner Conde asked that Commissioner Palmer's memo explaining the Budget Committee's recommendation be added to the minutes.*

Action: Approve distribution of funds remaining for the 2021-23 biennium as follows:

- Eastern Oregon Livestock Show (EOLS): \$36,000
- Southern Oregon Horse Racing Association (SOHRA) race days: \$280,420
- SOHRA training days: \$161,865
- Crooked River Roundup (CRRU): \$72,000

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

For the 2023-25 biennium, Commissioner Palmer explained projected monies total \$3,142,799. The committee's spending proposal allocates \$2,018,075 of that to the fair meets and related expenses (jockey insurance, etc.)

Action: Approve spending proposal for the 2023-25 biennium:

- EOLS: \$86,410/year or \$172,820 for the biennium
- SOHRA (race and training days): \$407,800/year or \$815,600/biennium
- CRRU: \$169,100/year or \$338,200/biennium
- Tillamook County Fair: \$176,600/year or \$353,200/biennium
- Other summer meet expenses: \$338,254

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

Action: Approve redistribution of \$315,000 previously allocated to TMB Racing to HRA LLC

Moved by: Commissioner Diego Conde

Seconded: Vice Chair Margaret Doherty

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

New Business

HRA Report

Rod Lowe of HRA LLC reported that OTB handle is up to par, despite having lost two outlets in Medford and Roseburg. HRA has a goal of increasing the network, with a site to open soon in Ontario and other sites being explored in Prineville, Grants Pass, Medford and Hermiston. Dates have been set for the 2023 meet: June 16; Sept. 3, 4, 10, 11, 17, 18, 24, 25; Oct. 1, 2, 8, 9.

Review and Possible Approval of HRA License Application

Director Winn reported that three items remain outstanding on HRA's license application: jockey insurance, general liability insurance, and the bond. The deadline for their receipt is April 15.

Mr. Lowe noted all are in process, adding that he is trying to combine jockey insurance for HRA and the fairs -- putting more days on the policy reduces costs for all.

Action: Approve HRA LLC license application, conditioned on proof of jockey insurance, general liability insurance and bond being supplied in a timely manner

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

Review and Possible Approval of Fair Meet License Applications

Director Winn stated that all applications from the summer meets are complete and have been reviewed by counsel. She recommended their approval.

Action: Approve license application for Eastern Oregon Livestock Show

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

Action: Approve license application for Southern Oregon Horse Racing Association

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Jan Palmer

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

Action: Approve license application for Crooked River Roundup

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

Action: Approve license application for Tillamook County Fair

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

Discussion of Commissioner Participation at Summer Fair Meets

Director Winn noted that it was beneficial to both the Commissioners and the fairs when members of the Commissioners attend the meets. Chair Williamson agreed and asked her to poll the Commission with a goal of getting at least one Commissioner to each meet this year.

Discussion of Chief Investigator's Authority

Chief Investigator Eric Shepherd suggested to the Commission that his position be modified to permit him to be armed. He cited the increasing threat of mass shootings nationwide and noted there is no armed security at Grants Pass. He stated he is not seeking arrest authority. Mr. Shepherd added he has 26 years of law enforcement experience and more than 10,000 hours of firearms training.

Counsel McCracken noted the Commission should check statutes and with the general counsel to be certain it has authority to do this before proceeding. Commissioner Conde agreed, noting insurance and risk exposure must be considered.

The Commission favored proceeding by looking into the legal implications and took no formal action.

Discussion and Possible Approval to Begin Rulemaking on:

- a. **OAR 462-001-0000, Notice of Proposed Rule amendment**
- b. **OAR 462-001-0008, Hearing Request and Answers amendment**
- c. **OAR 462-130-0040, Formal Stewards' Hearing amendment**
- d. **OAR 462-220-0010, Definitions amendment**
- e. **OAR 462-220-0030, License for a Hub Operation, Shared Wallet amendment**

Director Winn explained that most of the proposed changes are updates: removing out-of-date language, clarifying timelines, improving readability, as well as adding new language and guidelines for shared wallets.

Counsel McCracken recommended delaying rulemaking on OAR 462-220-0010 and 462-220-0030.

Action: Begin rulemaking on OAR 462-001-0000, 462-001-0008, and 462-130-0040
Moved by: Vice Chair Margaret Doherty
Seconded: Commissioner Diego Conde
Vote: Commissioners Williamson, Doherty, Conde and Palmer voted AYE, and the motion carried unanimously (4:0).

Review and Possible Adoption of Rules:

- a. **Amend OAR 462-140-0125, Title Change, Commission Supervisor of Account Wagering Hub**
- b. **Amend OAR 462-230-0010(1), Tote Standards – Requires a Disaster Recovery Plan**
- c. **Repeal OAR 462-200-0700, Instant Racing 1-2-3, with Pick N**

Action: Approve amendments to OAR 462-010-0125 and 462-230-0010(1); repeal OAR 462-200-0700
Moved by: Vice Chair Margaret Doherty
Seconded: Commissioner Jan Palmer
Vote: Commissioners Williamson, Doherty, Conde and Palmer voted AYE, and the motion carried unanimously (4:0).

Public Comment:

Lynelle Fox Smith of the Oregon Thoroughbred Owners and Breeders Association (OTOBA) reported that Jockey Club numbers for 2022 showed 38 foals registered in Oregon, an increase of 30 percent, and five new breeders. The numbers indicate OTOBA’s incentives are working to keep breeders in business in Oregon. Last year, 88 Oregon-breds competed, earning more than \$630,000 in purses, she said.

Alice Lombard, DVM, told the Commission that, having seen what happens on the backside over 30 years, she supported Chief Investigator Shepherd’s request to be armed.

Doug Smith of the Crooked River Roundup invited the Commissioners to attend the meet.

Candy Morasch of Grants Pass asked about the status of appointing a “Southern Oregon” Commissioner, adding that she hoped it would be her. Ms. McCracken responded that all Commission appointments are delayed when a new governor takes office. She added that the ORC Commissioners are at-large appointments, not geographic.

Camy VonSeggern of the Tillamook County Fair reminded the Commission that the Oregon Fairs Association will hold its annual convention Feb. 5-7 at the state fairgrounds in Salem. A session on horse racing is scheduled Feb. 7, time pending.

Randy Boden of the OHBPA compliment Director Winn and Commissioner Conde, and the Commission as a whole, for their work over the past year on behalf of racing.

Contested Cases:

None

Other Business as May Properly Come Before the Commission:

None

Confirmation of Next Meeting:

The next Commission meeting is scheduled for 1:30 p.m. Feb. 16, 2022. The meeting will be held via videoconference.

Adjournment:

Action: Adjourn meeting

Moved by: Vice Chair Margaret Doherty

Seconded: Commissioner Diego Conde

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

There being no further business, the meeting was adjourned at 3 p.m.

*** Budget Subcommittee Meeting 1/18 Recap memo submitted by Commissioner Palmer**

1. Extra Monies at the end of the 2023 Biennium: 1,084,800

Requests for these funds

SOHRA Training days: 161,865

SOHRA Race Days: 280,420

CRR: 72,000

EOLS: 36,00

This brings the purses to \$4,000 minimum for these fair meets and covers the days in Grants Pass for training to prepare for the summer race meets

Total amount remaining: 534,515

Take out 3 months of operational costs (approx. 250,00 as required)

Total remaining to be added to the HUB funds for the associations: 284,515

2. There has been 315,000 remaining in the HUB funds account that was previously

allocated to

TMB Racing (in 2 payments)

HRA has requested these funds for purchase of equipment to maintain the track and provide services to the backside

3. Projected Monies for the 2023-2025 Biennium: 3,142,799

Requests for these funds

EOLS: 86,410/year for a total of 172,820

CRR: 169,100/year for a total of 338,200

Tillamook: 176,600/year for a total of 353,200

SOHRA: 442,285/year for a total of 884,570

But we changed that to 407,800/year for a total 815,600

(this again includes money for the training days)

Other summer meet expenses: 338,254

Grand total: 2,018,075

Remaining for the associations: $1,124,724 + 285,515$ (from above) = 1409,239

This is a significant reduction from the 2021-2023 Biennium for the associations which was approx. 2,100,000

WHY:

- a. We are raising the bottom end of the purses and giving it directly to the fair meets rather than giving to the associations which then give it to the fair meets
- b. There is less money coming into the HUB funds due to loss of ADWs and Historic Racing
- c. A significant cap reduction associated with less money coming in and expenses way up
- d. SOHRA requesting a larger amount to pay for increase costs in new technology implemented by TMB Racing, and higher expenses for the meet