



Minutes
Oregon Racing Commission
January 16th, 2025

Meeting Detail

The Oregon Racing Commission (ORC) met at 1:30 PM on January 16, 2025, remotely via Microsoft Teams videoconference.

Call to Order, Roll Call and Mission Statement:

Chair Margaret Doherty called the meeting to order at 1:32 PM, and Karen Parkman conducted a roll call.

In Attendance:

Commissioners: Chair Margaret Doherty, Quinn Berry (late), and Dr Harvey Stein, DMV.

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

Excused: Commissioner Lindsay Fowler

Meeting approvals were postponed until Commissioner Berry was in attendance.

OLD BUSINESS

Executive Director's Report – Director Winn

Director Winn reported that association hub fund grants have been requested through Salem and may take 4 weeks to distribute.

There are 7 active bills that directly affect the commission. Senate Bill (SB) 853 would increase individual license fees by introducing a tier structure of \$25 to \$100 annually and increase daily license fees for online wagering companies from \$200 to \$225 per day. SB 854 grants the ORC authority to impose civil penalties for illegal wagering as a deterrent to unlicensed online wagering companies in Oregon. SB 855 increases the maximum fine ORC stewards can impose from \$500 to \$5,000. SB 856 would authorize ORC auditors to place limited wagers to test wagering systems during an audit. SB 857 would authorize an anonymous tip line for individuals to report to, protecting their identities from public records requests. All the above bills would be effective January 1, 2026, if passed. Bill (HB) 3023 would redirect Hub funds that are currently allocated to the general fund back to the ORC. If passed, this bill would be effective upon signature of the Governor. HB 3020 would make all wagering on greyhound racing illegal. If passed, the ORC estimates a loss of \$200,000 per biennium, assuming no additional online wagering licensees are

lost, and costs the industry approximately \$800,000 per year. It was recently learned that a similar bill is pending in North Dakota. If passed, it is unlikely online wagering companies will depart Oregon, but if it fails, there is a significant increase in the likelihood they are lost. This bill would be effective January 1, 2026, if passed. There are 2 other bills that would provide funding for fair meets. SB 780 would increase fair allocations from the lottery statewide. HB 3101 would do the same thing, plus designates 2/10 of a percent of that amount specifically for horse racing. Director Winn has been actively meeting with legislators to discuss the bills.

Director Winn reported that she and Karen have been working on finalizing and submitting budget documents and preparing for the upcoming presentation to the Ways and Means Committee. She had a discussion with Representative Gomberg, who indicated the budget will likely be presented in February, with a follow-up in May after the release of the budget forecast.

Lastly, she reported that the ORC has signed a contract with Thentia to implement a new licensing database and thanked Commissioner Stein for how well he ran the hearing earlier in the day.

APPROVALS:

Meeting Minutes

Action: Approval of the November meeting minutes.

Moved by: Commissioner Stein

Seconded: Commissioner Berry

Vote: Commissioners voted AYE, and the motion was carried unanimously (3:0).

Meeting Agenda

Action: Approval of the January meeting agenda.

Moved by: Commissioner Stein

Seconded: Commissioner Berry

Vote: Commissioners voted AYE, and the motion was carried unanimously (3:0).

OLD BUSINESS CONTINUED:

Budget Committee Report – Chair Doherty

Chair Doherty reported that the Budget Committee met last week on January 7th. She reminded the attendees that this is an on-going and fluid process. The committee reviewed the Governor's Recommended Budget, which included increased fines and fees, and support for the bill that would allow the agency to retain the 25% that currently goes to the General Fund. It also reflected a desire for a higher ending balance, which does raise concerns about sweeps.

The committee then discussed the Hub Fund Grants, having received 2 applications at the time. The request from Eastern Oregon Livestock Show (EOLS) was consistent with previous years. The submission from Southern Oregon Horse Racing Association (SOHRA) was approximately

\$395k more than last year, which included increased security and training days. All applications will be presented later in the meeting for the Commission's approval.

Lastly, Director Winn reported that \$200k has been set aside for inspections and necessary track improvements if the inspection reveals a need for improvement. The committee supports the allocation of these funds.

Medication and Safety Committee Report- Director Winn

Director Winn reported that the committee first discussed jockey payout. The current rule requires a jockey to make it to the scales post-race to receive payment. It was agreed that paying a jockey if they left the paddock may be in the best interest of the human and equine athletes. It was further discussed if pushing a horse to finish a race who is not performing well is the best practice. Presiding Steward, Mike Twiggs, corrected that the jockey is eligible when they cross the scale to go out to the track, not after, so that rule is good as stands. He elaborated that the other issue is pertaining to riding a horse to the best of their ability, but if there is adequate cause they may ease the horse up. Therefore, he feels both rules are sound and exist for good reason, the reason for the second rule being that if a jockey does not ride a horse to their best ability or coasts them across the finish line the public may think the race has been fixed. Commissioner Stein expressed concerns that the language in the rule was not clear, and someone may argue that the jockey had to weigh out after the race, even though the intention is crossing the scales going out to the track. Director Winn suggested adding weigh out and weigh in into the definitions, so it is clear. Mike Twiggs and Commissioner Stein agreed. Mike Twiggs pulled the rule up, and the definitions are already present.

Next, the committee discussed contracting Dr. Alice Lombard to put together a protocol for removing horses from the vet's list. The commission would need to vote to approve moving forward with seeking a contract.

Action: Approval to move forward with the implementation of a contract with a veterinarian for services requiring veterinary advisory to the ORC while the ORC does not have a hired commission veterinarian on staff.

Moved by: Commissioner Berry

Seconded: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (3:0).

Next, the committee discussed maximum field size after a trainer brought forth personal concerns that a 10-horse field might be too large for Thoroughbred races. Rod Lowe had clarified in the meeting that the track at Grants Pass Downs was specifically designed for a 10-horse field size and none of the fair tracks offered races of that size. With that clarification, none of the committee members had an issue with the current field sizes.

The committee discussed HeadCheck, which is a computer database program that tracks head injuries sustained by jockeys. This would notify the commission if a jockey came from another jurisdiction and was not supposed to be racing due to a recent concussion or had sustained multiple concussions and may be at higher risk. HISA, and several non-HISA jurisdictions are already implementing this program, along with the NFL and other sports groups. The committee feels this program is well worth the \$75 jockey fee, which is a one-time registration fee. So, if they are registered in another jurisdiction, they would already be in the system. This program would be implemented by the investigators.

Action: Approval to move forward with implementing the HeadCheck program.

Moved by: Commissioner Doherty

Seconded: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (3:0).

Commissioner Stein added that there was discussion on various therapeutic treatments. The consensus was not to act against any of the listed therapies as there was no evidence they had any effect on racing performance. The committee also discussed tube lengths for administering medications, to be constrained to a length that would not reach the stomach and therefore could not be used for “milk shaking”. Director Winn reported this topic will come up again later in the agenda.

Lastly, it was discussed that medical staff should be present at the paddock, in addition to a veterinarian and the investigators. There is an agenda item for this topic as well.

NEW BUSINESS

Tillamook County Fair Report – Steve Smith, Racing Director

Steve Smith reported that the race meet ran August 7-10th, 2024 and was well attended. A total of 33 races were run, 22 of which were Thoroughbred races averaging 5.59 horses per race, and 11 Quarter horse races averaging over 6 horses per race. The support from the Oregon Quarter Horse Racing Association (OQHRA) was outstanding. In two years (looking at 2022), they went from having no Quarter horse races at all, to a third of the card, including several stake races. There were 215 racehorses and 10 pony horses on the grounds during the race meet, which begin arriving mid-July. A total of 191 horses started in the races, with no injuries. Stall availability will be an issue as the meet grows. Mr. Smith reported that they could have used another 30-40 stalls this year.

10 jockeys started the meet, with 1 jockey breaking their foot leaving the starting gate Saturday who did not return to race after leaving the hospital. The track is currently working with the ambulance company they use to set up medical personnel in the in-field in case of a serious rider injury during the races. The track was in excellent condition and only required minor rock picking

and grooming, and the safety rail was improved to provide smoother and safer angles to the turns. The starting gate was also brought up to current safety standards under the advisement of steward Mike Twiggs, however the gate experienced issues on Thursday during the races and the races had to be hand started until it was repaired the next day.

The ORC provided a \$4,000 base purse along with a one-time \$8,000 contribution for match money. Oregon Horsemen's Benevolent and Protective Association (OHBPA) contributed \$1,000 per Thoroughbred race and another \$1,000 for a feature race. The OQHRA provided \$1,000 per Quarter horse race and an additional \$10,000 for a futurity and maturity race. There were an additional 11 feature races sponsored by local businesses for an added \$1,000 per race. There are 6 self-serve betting machines on the grounds, which range from 4-6% of the total betting handle versus 3% the year before. As the public become more familiar with the machines they should be used more. The parimutuel room is run by volunteers who did an excellent job bringing in handle. The total handle was \$161,000, up from \$157,000 in 2023, and was the highest handle on record since 2009. Average handle per race was \$4,887, with \$21,203 coming in on Wednesday, \$36,000 on Thursday, \$43,736 on Friday, and \$59,000 on Saturday. All days were up in handle compared to 2023 except for Saturday, likely due to delays in races result in the day ending and hour behind schedule and the jockey injury which required bet refunds. A horsemen and women's BBQ was held on Friday night, at which 250 people attended. The Tillamook fair looks forward to continual growth and Mr. Smith thanked their volunteer staff, the expertise and support of the ORC, and the Associations for their support.

Camy Vorseggern reported that there was a media reporter present during the meet. The article that was published was a positive one, and she will continue to direct media requests to the ORC to handle so that racing continues to be promoted positively.

Commissioner Stein asked if they have training days or timed workouts at Tillamook between the race days and when horses arrive from Prineville. Mr. Smith replied that there is an assistant starter who can do gate okays, but there are no timed workouts until the week before races. Commissioner Stein asked if there are volunteers available to help race attendees with the self-serve tote machines. Mr. Smith responded that there are people around, including himself, who will help, but there is no formal volunteer group. Camy added that there are two volunteers at the podium where racing programs are who help explain the self-betting machines and process.

Commissioner Fair Meet Participation – Chair Doherty

Chair Doherty directed the commissioners to review the fair race dates and let Director Winn know which meets and which dates they would like to attend. Director Winn added that expenses are paid, and while not every commissioner can attend every meet, the fairs really appreciate their attendance.

Update on Governor's Budget and Legislative Concepts – Director Winn

Director Winn reported that the budget is ready, and the 160-page report has been submitted. The initial budget for expenditure is \$7.3M, with \$2.9M for special payments, \$2.9M for personal services, and \$1.3M for services and supplies. The budget that came back from the Governor was a little higher at \$7.8M, with \$3M for special payments, \$3.3M for personal services, and \$1.5M for services and supplies. However, the initial agency request budget (ARB) was \$7.9M, and the Governor's budget is \$7.8M, so there is a downward with the push for a higher ending balance. The agency is currently set for an ending balance of \$1.2M for this fiscal year, which is just over the current 3-month balance requirement. However, they are pushing for a 6-month ending balance going forward, which would tie up over \$2M.

Chair Doherty added that in Oregon the budget starts with the Governor's budget and then more tweaks are made. Director Winn stated that there has been a lot of early collaboration with this budget which has gained agency support from the Governor's office.

The agency had to report where money would be taken from if there was a 10% budget reduction. Director Winn reported that \$600k would be taken from funds for track staff and the industry.

Director Winn reported that revenue is projected to increase from \$8.4 million in 2023-2025 to \$8.9 million in 2025-2025, yet the budget is lower because of inflation and the increased ending balance demands.

Discussion and possible approval of Fair Meet Hub Fund Grants – Chair Doherty & Director Winn

a) Eastern Oregon Livestock Show (EOLS)

Director Winn reported that the dates for EOLS are June 6, 7, and 8th, 2025. The budget is consistent with the last biennium, for a total of \$87,115 per year for 2025-26 and 2026-27.

b) Southern Oregon Horse Racing Association (SOHRA)

The request for SOHRA is for this biennium as opposed to next, and the request is significantly higher than before. ORC had allocated approximately \$420k per year for SOHRA for 2025-26, but they are requesting \$803,197 for just this year.

Rod Lowe reported that over the last 2 years costs have gone up, and in the past the track has requested funds for 45 days of racing when they train for 57. In addition, the daily cost for training has substantially increased. He stated a comparison that Santa Anita just made an agreement with the Pleasanton track to pay them \$13k per day for training, which in his opinion is a similar track to Grants Pass Downs (GPD) and he is requesting a third of that cost per training day which he feels is reasonable. Night security begins when training days begin, and the fairgrounds require a minimum of 6 security guards in the grand stands and night security from 10 PM to 6 AM to secure the backside. Staff are not on a volunteer

basis and SOHRA pays into workers comp for all those employees. He reported that the commercial meet in the fall has been able to backfill the deficit funds for the fair meet the last 2 years, but that is not sustainable going into the future.

Commissioner Stein asked if the horsemen pay anything for training. Rod Lowe responded that they do not. Commissioner Stein asked if there was any amount of funding the horsemen might contribute that might be a breaking point for them racing. Mr. Lowe responded no, because there are other tracks they can go to that don't charge anything. Director Winn brought up that the extra day of races this year is on the 5th of July, and horses will be immediately heading to Prineville and racing July 9th. She asked Commissioner Stein for his thoughts on the horses running on dates so close together. Commissioner Stein responded that only horses running the 5th would be affected, so it should be the Race Secretary's responsibly not to write a race card that would include those horses until the 12th. Mr. Lowe stated the horsemen also monitor themselves, so if they plan to run at Prineville, they won't enter the last weekend at GPD.

Chair Doherty asked why the budget increased by \$400k. Rod Lowe stated the 12 added training days, and increased labor costs per day have increased costs substantially from 2 years ago. Director Winn stated that she and Karen ran the numbers, and they can do it, but there will not be any extra funding left for the Associations at the end of this current biennium. Chair Doherty expressed she still has concerns.

Director Winn then presented SOHRA's request for 2026-27, which is down slightly due to one less day of racing at a total of \$763,095. Director Winn added that the Commission does not have to vote on these today if they want to meet again in February and get more information before making final decisions. Rod reminded the commission that no one will be able to apply for their race licenses until funds are approved. Director Winn stated February is the latest we anticipate approving these.

Leah Nelson asked for clarification on these funds affecting the association funds if they use up all funding. Director Winn clarified that it affects the extra funds that would be given to the associations, not their requests for the upcoming biennium and to still have their applications submitted by February 21st. Director Winn added that the budget for the associations will likely be around \$1 million, which Karen Parkman confirmed was not far off from the allocated funds for this biennium.

c) Crooked River Round Up (CRRU)

Director Winn reported that this request is consistent with previous years at \$168,100 per year. She reminded the commission that this meet is mostly volunteer run, so they do not have staffing fees like SOHRA. Doug Smith also submitted jockey insurance cost, which

covers all fair meets, and that has gone up significantly, but is budgeted for outside the hub grants, and will be \$174,433 for 2025-26 and \$185,724 for 2026-27.

Commissioner Berry asked if these allocations were submitted with general agreement or if they are contentious between the racing associations. Director Winn answered that two had not been received by the time of the budget committee meeting. Chair Doherty added that they each had reported figures in line with previous years, with the exception of SOHRA, which was the only one that really raised questions.

d) Tillamook Country Fair (TCF)

Director Winn reported that the request for TCF was up slightly, but not much, \$181,810 per year. They also requested an extra \$3,250 so that they could use a temp agency for the gate crew, so they were covered by workers' compensation. Director Winn feels that this increase should be supported since safety is very important.

Camy Vonseggern added that this is the first time she has ever been privy to other applications, but she wanted to clarify different costs and that SOHRA's training costs are much more because they are the only training facility. Commissioner Stein asked how many horses are on the grounds training at GPD, why a clocker is needed for 57 days or how many outriders are involved, and what the rent cost is. Mr. Lowe responded that the rental cost is for the facility as SOHRA does not own the track, as well as stall rentals. The fairgrounds have 151 stalls and there are usually over 200 horses that arrive early for training and 350 horses by the time races begin. There are two outriders per day. The outriders are paid for 3 hours per day plus pony care, which is consistent with other tracks from what he stated. Dr. Lombard added that it is so important that fit horses come to race, as some of the worst breakdowns she has seen are unfit horses. She feels these training days are very valuable in reducing equine and rider injuries.

Chair Doherty recommended tentatively approving the hub requests with the caveat that if funding is not available, SOHRA may not get everything they are asking for. Commissioner Berry agreed. Commissioner Stein asked about funds for purses, or who is going to have to fund what if the ORC can't. Commissioner Stein added that he has never been to a track that does not charge some sort of stall rent or fee when races are not actually going. Director Winn answered that she is concerned that many of these horsemen are coming from 12 hours away which is costly and there are no stall fees in Washington or California that charge for stalls. Dr. Lombard added that there aren't other training facilities either like other states, so they need to have the availability of training at GPD.

Action: Approval of all the budget proposals for the end of this biennium, and next biennium provided the funds are available.

Moved by: Commissioner Berry

Seconded: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (3:0).

Global Symposium Report – Micah Lloyd & Karen Parkman

Micah Lloyd reported that he and Karen attended the annual racing symposium in Arizona in December. This year was another great year for networking, and the ORC staff were able to sit in with the ADW licensees during their meeting. The greyhound bill was of interest. There were discussions with other state commissions, which had positive reception for the ORC auditing standards. He reported that he learned a lot and will be bringing future discussion topics to the commission as warranted.

Karen Parkman reported this was her first time attending. She hopes she can go again in the future as there was so much to learn and so many people to meet. She reported that there was a great industry community and energy. Some topics that stood out to her was a meeting on track moisture meters, a meeting on bone fatigue and remodeling, the ARCI model rule meeting and discussion on illegal racing of Quarter Horses, the ADW meeting which was well attended, a keynote speaker who spoke on rebuilding a robust racing community which was inspiring, and a discussion on Artificial Intelligence and its uses in the industry which included a showing of cameras that aid in identifying possible lameness issues.

Commissioner Stein asked Micah if there was any discussion on computer assisted wagering. Micah answered that it is a reoccurring topic but was not a primary one this year.

Discussion and possible approval to begin the rule making process for:

a) OAR 462-140-0060 (1) – Commission Stewards Accreditation.

This rule was proposed by ARCI and allows stewards to be accredited by ROPE or ARCI

b) OAR 462-120-0010 (6) – Clarifies out of state ADW employees which must be licensed.

This amendment clarifies language that was not clear.

c) OAR 462-140-0130 – Medical staff at paddock.

This rule requires there to be medical personnel present at the paddock, as well as a veterinarian.

d) OAR 462-160-0120 (4) – Length of tubes.

There would be a hearing on this rule if the process begins, but this rule would clarify that possession of a nasogastric tube by a non-veterinarian is prohibited.

Action: Approval to begin the rule making process for the above rules.

Moved by: Commissioner Berry

Seconded: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (3:0).

PUBLIC COMMENT:

None.

CONTESTED CASES

None.

CONFIRMATION OF THE NEXT MEETING:

The next commission meeting scheduled for February 20th, 2025, at 1:30 P.M. was cancelled. The next commission meeting will be held on March 20th, 2025, at 1:30 P.M., remotely via Microsoft Teams videoconference.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 3:34 PM by Chair Doherty.