

Division 135 — Civil Penalties, Appeals, and Collections

462-135-0000 – Purpose and Scope

- (1) This division establishes civil penalty requirements, appeal-related cost procedures, and collection processes authorized under ORS Chapter 462.
- (2) These rules apply to any person who violates ORS 462.020(1), engages in unauthorized wagering activity, or incurs appeal-related costs and debts under ORS 462.405.
- (3) Civil penalties imposed under this division are in addition to any other remedy or sanction available under law.

462-135-0010 – Division Definitions

- (1) “Commission” means the Oregon Racing Commission.
- (2) “Person” includes any individual, partnership, corporation, or entity subject to ORS Chapter 462.
- (3) “Violation” means any act or omission listed in ORS 462.995(1) or rules adopted by the Commission.
- (4) “Unauthorized wagering activity” means accepting, facilitating, promoting, or conducting any animal racing wager without authorization under ORS Chapter 462.
- (5) “Costs of appeal” means Commission expenses and attorney fees described in ORS 462.405(6) and (7).

462-135-0020 – Civil Penalty Schedule (ORS 462.995)

- (1) The Commission may impose a civil penalty of up to \$25,000 for each violation of ORS 462.995(1).
- (2) Penalties shall fall within the ranges below unless aggravating or mitigating circumstances justify deviation:
 - (a) Minor violations: \$1,000–\$5,000.
 - (b) Moderate violations: \$5,001–\$15,000.
 - (c) Major violations: \$15,001–\$25,000.
- (3) Each day a violation continues may constitute a separate violation.

462-135-0030 – Procedures for Civil Penalties

- (1) Civil penalties shall be imposed in accordance with ORS 183.745.
- (2) Prior to imposing a civil penalty, the Commission shall issue written notice including:
 - (a) The alleged violation;
 - (b) The proposed penalty amount;
 - (c) The right to request a hearing;
 - (d) Applicable deadlines.
- (3) If a hearing is requested, the matter proceeds as a contested case under ORS Chapter 183.
- (4) Following hearing or default, the Commission shall issue a final order with findings, conclusions, and penalty determination.

462-135-0040 – Remission or Reduction of Civil Penalties

- (1) The Commission may remit or reduce penalties under ORS 462.995(4).
- (2) A person seeking reduction or remission must submit a written request including:
 - (a) Explanation of circumstances;

- (b) Supporting documentation;
- (c) Corrective actions taken.
- (3) The Commission may consider cooperation, corrective action, financial hardship, and voluntary self-reporting.

462-135-0050 – Factors for Determining Penalty Amount

In determining penalty amounts, the Commission shall consider:

- (1) Past history of corrective efforts;
 - (2) Prior violations;
 - (3) Economic and financial conditions;
 - (4) The immediacy and extent of threat to the public good.
- The Commission may also consider intent, scope, and cooperation.

462-135-0060 – Deposit of Civil Penalties

- (1) All civil penalties collected under this division shall be deposited in the General Fund to the credit of the Oregon Racing Commission Account under ORS 462.260.

462-135-0070 – Assessment of Appeal-Related Costs

- (1) The Commission may assess all costs and attorney fees incurred as a result of an appeal, up to \$25,000, when any condition in ORS 462.405(6) or (7) occurs.
- (2) The Commission may require payment of costs when:
 - (a) An adversely affected person withdraws an appeal on or after the 21st day before the scheduled hearing;
 - (b) The person fails, without good cause, to appear at the hearing;
 - (c) An administrative law judge determines the appeal lacked an objectively reasonable basis.
- (3) The Commission shall notify the person in the notice of rights and final order when these provisions apply.

462-135-0080 – Collection of Appeal-Related Awards (ORS 462.408)

- (1) If costs or attorney fees awarded under ORS 462.405 remain unpaid, the Commission may request the Attorney General to file an action in court to recover:
 - (a) Costs described in ORS 462.405(6), plus reasonable legal fees;
 - (b) Awards described in ORS 462.405(7), plus reasonable legal fees.
- (2) This section applies to all final orders containing cost or fee awards.

462-135-0090 – Referral of Delinquent Debts for Collection (ORS 293.231)

- (1) Accounts owed to the Commission, including civil penalties, costs, or attorney fees, become delinquent 90 days after the due date unless paid or under an approved payment arrangement.
- (2) The Commission shall refer delinquent accounts for collection to:
 - (a) The Department of Revenue; or
 - (b) A private collection agency contracted by the state.
- (3) Final amounts due may include:
 - (a) Collection fees;
 - (b) Accrued interest, up to the statutory maximum permitted by ORS 82.101;
 - (c) Any costs associated with lien filing.

462-135-0100 – Recording of Liens (ORS 205.125–205.126)

- (1) The Commission may record unpaid penalties, costs, or debts with any county clerk in Oregon.
- (2) Recorded debts become liens enforceable according to ORS 205.125 and ORS 205.126.

462-135-0110 – Severability

If any provision of this division is found invalid, the remaining provisions shall continue in effect.

Reason for rule: Required per:

ORS 462.995 (2) The commission shall adopt rules establishing the civil penalties that may be imposed under this section. The maximum penalty may not exceed \$25,000.

Fiscal Impact: No

Advisory Committee: Yes October 15, 2026: 10:00 am

Microsoft Teams meeting

Join: <https://teams.microsoft.com/meet/255583431709053?p=GZzGuXpyv3opMTRVe0>

Meeting ID: 255 583 431 709 053

Passcode: PU7K62np

Hearing: Yes October 15, 2026: 12:00 pm

Microsoft Teams meeting

Join: <https://teams.microsoft.com/meet/274137959983367?p=b4DhUTuB2P0BetpsO6>

Meeting ID: 274 137 959 983 367

Passcode: D7eW2Rt3

Filing info:

Small businesses were not involved and are not affected.

Will not affect racial equity.

Documents are stored electronically with the agency and are available upon request.