



Oregon Racing Commission
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COMMISSION MEETING AGENDA

Thursday, January 15th, 2026

1:30 p.m.

The Oregon Racing Commission will meet at **1:30 pm on Thursday, January 15th, 2026.** The meeting will be held remotely via Microsoft Teams. You may join the meeting by attending the meeting in person, clicking on the link below, or by calling in. Please be aware if you call in, your phone number will appear as your ID.

Topic: Oregon Racing Commission's January 2026 Regular Commission Meeting

Time: January 15, 2026, 01:30 PM Pacific Time (US and Canada)

Join Meeting: [Teams Link](#)

Meeting ID: 216 034 034 011 38

Passcode: Z7Xi2Wb3

If you are unable to access this session through a computer, please dial: 1-503-446-4951

Phone conference ID: 820 628 598#

A request for an interpreter or other accommodation for persons with disabilities should be made at least 48 hours before the meeting to Commission staff at: 503-853-5927 or by email at ORC.info@orc.oregon.gov. This proposed agenda is subject to last-minute changes without prior notice.

AGENDA ITEMS

ROLL CALL – Karen Parkman, Director of Administration:

APPROVALS (need to conduct a vote): – Chair Doherty

- 1) Meeting Agenda
- 2) Meeting Minutes

OLD BUSINESS:

- 3) Director's Report – Director Winn

NEW BUSINESS:

- 4) Discussion and possible approval to begin the rulemaking process for the following rules: - Director Winn
 - a) OAR 462-220-0085 (proposed) – Prohibited associations with non-compliant vendors
 - b) OAR 462-220-0010(3)(4)(8) – Amendment; Defines Customers, White Labels, Authorized Wagering Partners, and Non-compliant Vendors
 - c) OAR 462-220-0030 – Amendment; Changes name of affiliate to Authorized Wagering Partner
 - d) Payment due date source market fee
- 5) Discussion and possible approval to adopt the following rules: - Director Winn
 - a) OAR 462-200-0360 (1) - OTB License Requirements
 - b) OAR 462-220-0030 (6) - Increase Daily Fees
 - c) OAR 462-220-0030 (3)(f) - Adds requirements for affiliates background and SLA's
 - i) Proposed updates
 - d) OAR 462-220-0040 (4)(5) - Cleans up languages and addresses non-merged pools
 - i) Proposed updates
 - e) OAR 462-220-0050 (1)(b) - Clarifies non-merged pools reimbursements for ORC expenses
 - i) Proposed updates
- 6) Review and possibly approve: - Director Winn
 - a) ORC Dust Storm Policy
 - b) ORC Auditing Charter
 - c) ORC Disaster Recovery Policy
 - d) ORC Conflict of Interest Policy
- 7) Request redistribution/approval of Grant Money for HRA Jockey Room Repairs – Rod Lowe
- 8) Director 360 review – Director Winn
- 9) Gallup Employee Survey Report – Director Winn

PUBLIC COMMENT:

CONTESTED CASES:

None.

EXECUTIVE SESSION

None.

CONFIRMATION OF NEXT COMMISSION MEETING:

The next commission meeting is scheduled for Thursday, February 19th, 2026, at 1:30 P.M. remotely via Microsoft Teams.

ADJOURNMENT:

Movement to adjourn.

At any time during the public session, the Commission may go into executive session to consider information or records exempt from disclosure pursuant to ORS 192.660(2)(f), ORS 192.345(2), OAR 462-220-0070 regarding trade secrets; and/or ORS 192.660(2) (f) and ORS 192.355(9) to consult with

counsel concerning written legal advice; and/or ORS 192.660(2)(h) to discuss its legal rights and duties regarding current litigation, or litigation likely to be filed. The Commission may also elect to deliberate on pending contested cases pursuant to ORS 192.690(1). Additional items may be placed on the agenda after the general mailing of the agenda. Calls may be made to the Commission office during the week of the meeting to inquire about additions.



Minutes
Oregon Racing Commission
November 20th, 2025

Meeting Detail

The Oregon Racing Commission (ORC) met at 1:30 PM on November 20th, 2025, via Microsoft Teams videoconference.

Call to Order, Roll Call and Mission Statement:

Chair Doherty called the meeting to order at 1:30 PM, and Karen Parkman conducted roll call.

In Attendance:

Commissioners: Chair Margaret Doherty, Vice Chair Quinn Berry, Commissioners Lindsay Fowler, Harvey Stein, DVM, , and Marc Kinsley, DVM.

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

Excused: None

Approvals:

Meeting Agenda

Action: Approve November 2025 meeting agenda, adding non-merged pools and affiliates to new rules section.

Moved by: Commissioner Fowler

Second: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

Meeting Minutes

Action: Approve October 2025 meeting minutes.

Moved by: Commissioner Fowler

Second: Commissioner Kinsley

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

OLD BUSINESS

Executive Director's Report – Director Winn:

Director Winn reported that staff completed a disaster-preparedness tabletop exercise that resulted in a new dust-storm policy, as well as finalizing an IT Disaster Plan and Audit Charter for presentation in January. She noted that United Tote has been awarded the Dubai signal, adding a third non-merged international wagering pool for under the ORC.

She informed the Commission that Thentia, the vendor developing the new licensing database, has entered receivership, prompting ORC to terminate the contract to protect agency data. The agency will continue using its current system while monitoring a potential statewide licensing platform as a long-term option.

Winn provided a brief budget update, noting that while the state remains in deficit, the most recent economic forecast showed improvement, and legislators will revisit the outlook in February. She also updated the Commission on national equine disease concerns, including Equine Herpes Virus (EHV) and New World Screwworm, emphasizing that no cases have been reported in Oregon, but monitoring remains active.

Finally, Winn reported that recruitment for the Senior Veterinarian position is nearing completion, with an offer extended. She also acknowledged receipt of the annual 360-degree evaluation and staff Gallup poll results.

NEW BUSINESS

Horse Racing Association (HRA) Report – Rod Lowe

Rod Lowe, CEO of HRA LLC, reported on the 12-day race meet held from September 7 through October 13. Despite significant weather-related challenges (including smoke, lightning delays, heavy rain, and a partial power outage), the meet successfully ran all scheduled race days without cancellations. Lowe credited ORC stewards, track crews, jockeys, trainers, and staff for maintaining continuity, noting that both the Quarter Horse and Thoroughbred associations even added races toward the end of the meet. Safety outcomes were generally strong, with no serious jockey injuries. There were two equine fatalities, one of which the owner elected to euthanize, and the other died of colic in the stable area.

Due to increased demand following Northern California's shutdown, HRA added 40 temporary stalls and still maintained a waiting list for trainers. The meet averaged a field size of 7.14 starters across 128 starts and 102 races. Total purses reached \$922,400, averaging \$76,867 per day, while total handle was \$227,539, averaging \$18,962 per day (down from 2024), which Lowe attributed to poor weather conditions. Attendance totaled 16,455, averaging approximately 1,300 spectators per day. Lowe concluded by thanking the ORC and stakeholders for supporting a safe and successful meet.

Vote on dates for 2026 Commission meetings – in-person meeting to be in May

Action: Approve proposed calendar for 2026 Commission meetings.

Moved by: Commissioner Fowler

Second: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

Discussion and possible approval of Summer Fairs Dates 2026

- A. Eastern Oregon Livestock Show (EOLS) – Races June 12-14th, 2026**
- B. Southern Oregon Horse Racing Association (SOHRA) – Races June 20, 21, 27, 28, July 3-5th, 2026 with 25 days of training.**
- C. Crooked River Round-Up (CRR) – Races July 15-18th, 2026**
- D. Tillamook County Fair (TCF) – Races August 5-8th, 2026**

Action: Approval of the proposed dates for EOLS, SOHRA, CRRU, and TCF.

Moved by: Commissioner Stein

Second: Commissioner Fowler

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

Discussion and possible approval to begin the rule making process for the following rules: - Director Winn

A. Non-Merged Pools

Director Winn explained that the Commission's oversight of new non-merged international wagering pools has highlighted the need to update existing rules to reflect current technology and operational practices. Historically, non-merged pools required manual oversight by a steward, but modern systems now function differently and demand greater regulatory flexibility. She requested authorization to begin formal rulemaking, including convening an advisory committee and conducting public hearings to ensure full stakeholder engagement.

B. Affiliate Requirements

Director Winn further noted that technological changes affecting non-merged pools also impact affiliate operations and necessitate updates to related rules. Because these areas are intertwined, she recommended initiating rulemaking concurrently, with an advisory committee providing input on both subjects. She emphasized that draft rules will be developed through the committee process, as no specific language is being proposed at this stage.

Action: Approval to begin the rulemaking process for non-merged pools and affiliate requirements, including an advisory committee meeting.

Moved by: Commissioner Fowler

Second: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

Commissioner Berry will serve as the hearings officer and Commissioner Stein will also serve on the committee.

C. Emergency Warning Systems

Director Winn introduced the topic of emergency warning systems, noting that the Medication and Safety Committee had elevated the issue to the full Commission following its October discussion. Commissioner Stein explained that many tracks rely solely on announcer warnings during incidents, which can be difficult for jockeys to hear, especially on the backside, and described how visual or audible alert systems—such as flashing lights or sirens—are used at other tracks to signal riders to pull up in the event of a fall or loose horse. Commissioners agreed that the concept merits further exploration, particularly given a recent near-miss at Tillamook. Jockey’s Guild representative Darrell Haire emphasized the value of clear, immediate warnings and encouraged the Commission to consider systems that integrate both visual and audible cues. Rod Lowe provided perspective from Grants Pass Downs, noting existing communication protocols and raising cost considerations.

Action: Approval to begin the rulemaking process for emergency warning systems.

Moved by: Commissioner Fowler

Second: Commissioner Stein

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

D. Coggins Test Requirements

Director Winn reviewed the current six-month Coggins requirement, noting that while it was adopted based on available information at the time, it created confusion for horsemen at both the start and end of the season. She shared correspondence from the Quarter Horse Association and the steward at Grants Pass expressing concerns about returning to a one-year interval. Winn also confirmed that most jurisdictions, including Oregon’s neighboring states, operate on a one-year requirement, with Pennsylvania being the only U.S. jurisdiction currently using six months. She added that Oregon’s state epidemiologist considers a one-year interval reasonable, with the option to enact an emergency rule should disease conditions change.

Commissioner Stein highlighted additional factors for consideration, including increased horse movement into Oregon, particularly Quarter Horses arriving from states with less strict oversight, and examples of jurisdictions that pair a one-year Coggins with more specific entry timing requirements.

Action: Approval to begin the rulemaking process for 1-year Coggins requirements.

Moved by: Commissioner Kinsley

Second: Commissioner Fowler

Vote: Commissioners voted AYE, and the motion was carried 4:1 with Commissioner Stein opposed.

Discussion and possible approval to adopt the following rules: - Director Winn

- A. OAR 462-120-0050 (3): amendment – changes licensing fees according to type of license purchased.**
- B. OAR 462-140-0125: permits the Director of Mutuels to place test wagers for auditing.**
- C. OAR 462-160-0130: changes permissible medication schedule.**

Director Winn presented three rules that had completed public review. The first amends OAR 462-120-0050(3) to update licensing fees based on license type, reflecting feedback received during advisory committee meetings. The second, OAR 462-140-0125, aligns rule language with recently enacted statute by authorizing the Director of Mutuels to place limited test wagers for audit purposes when pre-approved. The third, OAR 462-160-0130, updates the permissible medication schedule by specifying allowable NSAID amounts, closing gaps that had caused inconsistencies in prior seasons. Commissioners confirmed they had reviewed the rules and had no further questions

Action: Approval to adopt OAR 462-120-0050 (3), OAR 462-140-0125, and OAR 462-160-0130.

Moved by: Commissioner Fowler

Second: Commissioner Berry

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

Review and possibly approve final order for Juan Leon.

Assistant Attorney General Kelly Routt reported that, following the Commission's September vote proposing a five-year license revocation and \$1,000 civil penalty for Juan Leon due to a clenbuterol violation, Mr. Leon subsequently withdrew his hearing request and no longer contests the action. Because the original notice inadvertently omitted the civil penalty, the Commission had the option either to issue a default final order imposing only the revocation or to reissue the notice and reopen the hearing process to add the penalty. Commissioners Fowler and Berry expressed support for proceeding with the default order, noting that reissuing the notice would create unnecessary administrative expense.

Action: Approval of final order for Juan Leon.

Moved by: Commissioner Stein

Second: Commissioner Fowler

Vote: Commissioners voted AYE, and the motion was carried unanimously (5:0).

PUBLIC COMMENT:

Connie Erickson, President of the Oregon Thoroughbred Breeders Association, asked whether the proposed statewide budget reductions conflicted with the statutory 75/25 hub revenue split. Director Winn explained that although the statute defines the distribution, legislative budget actions can override it, and she has raised the issue with legal counsel, the CFO, and the Governor's Office. Winn noted that the latest economic forecast is more favorable and reaffirmed her

commitment to releasing all fair meet funds and first-round distributions as planned, with the hope of seeking additional support from the Emergency Board. Erickson also asked whether the governor has authority to redirect budgeted funds, and Winn clarified that only the Legislature may do so. No additional public comments were offered.

CONTESTED CASES

None.

CONFIRMATION OF THE NEXT MEETING:

The next commission meeting is scheduled for **January 15th, 2026**, at 1:30 P.M. remotely via Microsoft Teams.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 2:55 P.M..

Proposed OAR 462-220-0085 Rule — Prohibited Associations with Non-Compliant Vendors.

(1) Applicability.

This rule applies to all multi-jurisdictional simulcasting and interactive wagering totalizator hub vendors, companies, and any affiliated online wagering platforms licensed or seeking licensure by the Oregon Racing Commission.

(2) Prohibited Associations.

A licensee may not enter into, maintain, or renew any partnership, contractual relationship, vendor agreement, subcontract, or other business association with any person or entity determined to be a known bad actor, as defined in section (3) of this rule.

(3) Definition — Prohibited Actor.

For purposes of this rule, a “known bad actor” includes any individual or entity that the Commission determines, based on credible evidence, has engaged in one or more of the following:

- (a) Criminal conduct involving fraud, money laundering, racketeering, illegal gambling, bribery, corruption, embezzlement, or financial crimes under federal, state, or foreign law;
- (b) Operation of, participation in, or material support of illegal wagering, gaming, or betting activities in any jurisdiction;
- (c) Revocation, suspension, or denial of a gaming, wagering, racing, or similar license by a regulatory authority in any jurisdiction for reasons involving integrity, honesty, or suitability;
- (d) Inclusion on any federal or state exclusion list, sanctions list, or law-enforcement watch list, including but not limited to those maintained by the U.S. Department of Justice, U.S. Department of the Treasury, or equivalent foreign authorities;
- (e) A documented history of regulatory violations demonstrating a pattern of noncompliance, dishonesty, or disregard for regulatory oversight;
- (f) Any other conduct that, in the judgment of the Commission, poses a risk to the integrity of racing, wagering, or the public interest.

(4) Due Diligence Requirement.

Licensees must exercise reasonable and ongoing due diligence to identify and avoid associations with known bad actors, including vetting of partners, vendors, contractors, and service providers prior to engagement and throughout the term of any business relationship.

(5) Disclosure Obligations.

A licensee must promptly disclose to the Commission:

- (a) Any existing or proposed business relationship that may implicate this rule; and
- (b) Any information learned after licensure that reasonably suggests an associated person or entity may qualify as a known bad actor.

(6) Commission Authority.

The Commission may require a licensee to terminate any prohibited association and may take disciplinary action, including license suspension, revocation, civil penalties, or other remedies authorized under ORS Chapter 462, for violations of this rule.

(7) No Limitation on Commission Discretion.

Nothing in this rule limits the Commission's authority to independently determine suitability or take action to protect the integrity of Oregon racing and wagering.

Prohibited Vendors

Any Oregon Racing Commission ADW licensee is prohibited from conducting business with any contractor, vendor, or entity that includes prohibited language or terms as defined by the Commission. Furthermore, any person or entity engaged in business with such contractors must adhere to the same requirements. Compliance will be subject to review and enforcement at the sole discretion of the Oregon Racing Commission.

Reason for rule: Need to clarify relationships with vendors

Hearing required: Yes, please schedule for March on our commission day

Advisory Committee required: No

Statutory authority: ORS 462.270(3) & 462.725

Statutes/Other Implemented: ORS 462.725

462-220-0010

Definitions

(1) A multi-jurisdictional simulcasting and interactive wagering totalizator hub is a business that, through a qualified subscriber-based service, conducts pari-mutuel wagering on the races that it simulcasts and other races that it carries in its wagering menu. The term "advance deposit wagering licensee" "ADW" or "hub" will be used in these rules to refer to the multi-jurisdictional simulcasting and interactive wagering totalizator hub.

(2) The terms "qualified subscriber-based service" and "closed-loop subscriber-based system" shall mean any information service or system that uses:

(a) A device or combination of devices authorized and operated for placing, receiving, or otherwise making a wager and by which a person must subscribe in order to be able to place, receive, or otherwise make a bet or wager;

(b) An effective customer verification and age verification system; and

(c) Appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is a minor.

~~(3) "Affiliate" refers to a third-party entity that rebrands or markets a licensed product or service.~~

(3) Authorized Wagering Partner

An Authorized Wagering Partner is a white-label operator or entity that has been formally approved by the Oregon Racing Commission (ORC) to conduct wagering activities through an ADW licensee. Such partners operate under the licensee's platform and are subject to all applicable statutes, rules, and compliance requirements established by the ORC. Authorized Wagering Partners must maintain full adherence to regulatory standards, contractual obligations, and integrity protocols as a condition of their authorization.

(4) White-Label Operator

(a) A White-Label Operator is an entity that offers wagering services under its own brand while utilizing the platform, license, and regulatory framework of an Oregon Racing Commission (ORC)-licensed ADW operator.

(b) White-Label Operators may perform ancillary functions such as customer service, marketing, and account management; however, all wagering transactions must be processed exclusively through the licensed entity's system and under its regulatory authority.

(5) ~~(4)~~ "Foreign jurisdiction" means a jurisdiction of a foreign country or political subdivision thereof.

(6) ~~(5)~~ Handicapping contests, also known as tournaments, may include but are not limited to competitions whereby players compete amongst each other in multi-race events from amongst predetermined live races at a licensee's racecourse or simulcast races offered by the licensee, or any combination.

(7) Non-Compliant Vendor

A non-compliant vendor is any individual or entity that fails to adhere to applicable laws, regulations, industry standards, contractual obligations, or internal policies governing its business relationship with the organization. This includes, but is not limited to:

a. Regulatory Non-Compliance: Failure to comply with statutes, rules, or licensing requirements established by governing authorities.

b. Contractual Non-Compliance: Breach of terms, conditions, or service-level agreements outlined in the vendor contract.

c. Policy Non-Compliance: Failure to follow organizational policies, ethical standards, or operational requirements.

d. Operational Risk Factors: Inadequate controls for data security, financial solvency, or risk management that violate compliance expectations

(8) ADW Customer

(a) An ADW Customer is any individual who places wagers through an Advance Deposit Wagering (ADW) licensee or its Authorized Wagering Partners.

(b) The ADW licensee is responsible for ensuring that all regulatory requirements related to the customer are met, including but not limited to player support, provision of required information, eligibility verification, and responsible gaming measures.

(c) The licensee assumes full fiduciary responsibility for all customer funds on deposit, the placement of wagers, receipt of payouts, and any associated liabilities for security, compliance, or operational failures.

(d) The ADW licensee maintains oversight of all Authorized Wagering Partners with respect to customer-related functions, including player funds, support services, and adherence to regulatory standards.

Statutory/Other Authority: ORS 462.270(3) & 462.725

Statutes/Other Implemented: ORS 462.725

462-220-0030

Approval of the License for a Hub Operation

(1) Prior to operating a hub, the entity must submit a completed application and be granted a license, from the commission, to conduct simulcasting and pari-mutuel wagering in accordance with ORS 462.725 and these rules as a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub."

(a) A license duration will be five years and is subject to annual audits. Subsequent renewals shall be submitted for review and approval by the commission at least 60 days before June 30th of the fifth year.

(b) The current, daily licensing fee is to be remitted no later than June 30th preceding the July 1 start of each year licensing has been granted or is being requested. Upon request from a hub entity the executive director shall permit the hub entity to make semiannual or quarterly payments of the daily licensing fee with the first payment due no later than June 30.

(2) An applicant for a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub" license must provide the following information as part of the application thirty days prior to the scheduled commission meeting at which the application is to be presented:

(a) The applicant's legal name;

(b) If the applicant is a corporation, the names, addresses, dates of birth of its shareholders, directors and officers; if a shareholder is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its shareholders, directors and officers must be provided;

(c) If the applicant is a partnership the names, addresses, dates of birth of the partners; if a partner is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its share holders must be provided;

(d) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subsection (2)(b) and (2)(c) of this rule shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders;

(e) The names of the race tracks the applicant, or its agent, has contracts with that allow the applicant to provide the simulcast signals and pari-mutuel wagering on the product;

(f) Financial information from the applicant that demonstrates whether the applicant has the financial resources to install and operate a hub;

(g) A detailed budget showing anticipated revenue, expenditures and cash flows by month, from the hub's operation during the license period;

(h) The number of days that the applicant is planning to operate the hub during the fiscal year in which they are seeking to be licensed;

(i) A list of all hub personnel containing the name, position, job location, license number and expiration date. All current gaming licenses should be listed, regardless of jurisdiction;

(j) A chart illustrating the organizational structure, including reporting lines;

(k) A list of all states where the hub is operating; and

(l) Documentation of proper filing that the Hub applicant and/or parent company is registered to do business in the state of Oregon.

(3) As part of the application for licensure as a hub, the applicant shall submit a detailed plan of operations in a format and containing such information as required by the commission. At a minimum, the operating plan shall address the following issues:

(a) The manner in which the proposed simulcasting and wagering system will operate;

(b) The requirements for a "qualified subscriber based service" or "closed loop subscriber based system" set out in OAR 462-220-0010(2);

(c) Programs for responsible wagering; Beginning July 1, 2023, responsible wagering programs must include at a minimum:

(A) Annual training for all staff that interact directly with account holders;

(B) Advertising must include responsible wagering messaging;

(C) An account holder may request a one year, three year, five year or a lifetime self-exclusion;

(D) An account holder that has elected to self-exclude will be removed from any type of direct advertising or promotions; and

(E) Responsible wagering resources must be available on all ADW web and other sites, and must include information about where to get additional help.

(d) Mitigation for the effects of account wagering on the source market in Oregon. In addition to the source market mitigation plan as outlined in the application, more detailed

source market information shall be provided by the hub at the commission's request. A mitigation plan must include one of the following options:

(A) An agreement with a state commercial race meet licensee as defined in ORS 462.062, a copy of which has been submitted to the commission; or

(B) A written agreement with the Oregon HBPA, a copy of which has been submitted to the commission; or

(C) A written plan submitted to, and approved by, the commission that mitigates the effect of account wagering and provides equitable compensation to the commercial race meet licensee as defined in ORS 462.062. Source market fees shall be paid statewide on Oregon accounts. Accounts must be available to Oregon residents if a hub is licensed in Oregon.

(e) The requirements for accounts established and operated for persons whose principal residence is outside of the state of Oregon. The commission may require changes in a proposed plan of operations as a condition of granting a license. No subsequent changes in the system's operation may occur unless ordered by the commission or until approval is obtained from the commission after it receives a written request.

(f) A list of any ~~affiliate~~ sites or potential ~~affiliate~~ sites of the hub. The operating plan must provide the following information and meet the following ~~affiliate~~ guidelines:

(A) The name and web address of the ~~affiliate~~ site.

(B) The person or companies involved in the ~~affiliate~~ agreement.

(C) That the ~~affiliate~~ site agreement is clearly noted as either a marketing or service agreement.

(D) Customers using the ~~affiliate~~ site will be customers of the licensed hub, subject to the same verification process and account operational procedures as any other customer of said hub licensee.

(E) The wagers placed through the ~~affiliate~~ site will be processed through equipment owned and operated by the licensed hub and their commission approved tote provider.

(F) The commission approved totalizator provider will incorporate the handle of the ~~affiliate~~ site into the handle report for the licensed hub, or generate a separate daily report for this handle. In either case, the handle will count as part of the hub licensee's handle, and the hub licensee will be responsible for all taxes on the handle generated from their own site and any ~~affiliate~~ **Authorized Wagering Partner** sites.

(G) The ~~affiliate~~ **Authorized Wagering Partner** site will be branded in some form to indicate to the customer that they will be wagering through systems operated by the licensed hub. The commission reserves the right to approve or deny any ~~affiliate~~ **Authorized Wagering Partner** sites. Additionally, the commission may determine a handle level at which an ~~affiliate~~ **Authorized Wagering Partner** site may need to apply for its own hub license, or at which the hub licensee must be subject to the tax rate described in OAR 462-220-0040(3).

(4) Multi-jurisdictional hubs that offer handicapping contests must list each contest as a live money contest and/or an entry fee contest. All applications for approval must be accompanied by agreement(s) from the tracks.

(5) The commission may conduct investigations or inspections or request additional information from the applicant as it deems appropriate in determining whether to approve the license application.

(6) The fee of \$200 per day that the hub is scheduled to operate must accompany the application. If the license is denied by the commission the fee will be refunded less the amount equal to the amount that the commission expended in conducting investigations and inspections which was in excess of the expenses that would have otherwise been incurred by the commission.

(7) To ensure that the funds of an applicant's account holders will be properly held and maintained by the applicant:

(a) The applicant must provide evidence to the commission that the applicant has established a segregated account (the Bank Account) in which all funds of its account holders will be deposited in an insured account, approved by the commission, solely for the benefit of the account holders:

(A) No hub shall use the funds deposited in the Bank Account for any purpose except to facilitate the wagering activities and other instructions or agreements of account holders. The funds of an account holder held in the Bank Account shall remain the property of the account holder for all purposes until wagered by the account holder or otherwise withdrawn or used in accordance with the account holder's instruction or agreement;

(B) The hub shall maintain a record of each deposit, withdrawal or other use of funds held in the Bank Account for each account holder (the Customer Record);

(C) Any account holder, who claims that any credit or debit to his or her Customer Record is incorrect or who claims that any deposit, withdrawal or use of the account holder's funds is incorrect, may file a claim with the commission. The commission shall investigate all claims and provide the hub with an opportunity to respond to such claim. The hub may

submit any information, documentation or other evidence supporting its position with respect to the claim. If the commission determines that the Customer Record is incorrect or that any deposit, withdrawal or use of an account holder's funds was incorrect, the hub shall have 10 days to correct same as instructed by the commission. Such correction may require the hub to correct the Customer Record for the account holder, to deposit additional funds into the Bank Account for the account holder, to remit funds directly to the account holder, or any combination thereof.

(b) The applicant must provide a \$50,000 irrevocable bond, letter of credit, or other security instrument to the commission, in a form acceptable to the commission, which designates the commission as the beneficiary thereof (the Security Instrument). The Security Instrument shall permit the commission to make draws to cover such amounts as the commission finds is necessary. For example, if a hub fails to deposit funds into the Bank Account for an account holder or to remit funds directly to the account holder, as described in subsection (7)(a)(C) above, within 10 days of the commission's decision, the commission may draw down on or take other appropriate action against the Security Instrument to ensure the account holder is immediately made whole.

(8) An applicant licensed under this section may enter into such agreements, as for what it deems good and sufficient reasons, that are necessary to promote, advertise and further the sport of racing or that may be necessary for the effective operation of interstate account wagering, including, without limitation, television production and telecommunications services.

(9) An applicant must maintain an operational presence within the State of Oregon. A call center for customer wagering, a sub-contract with an existing call center for customer wagering, or a business office is required. In addition, totalizator equipment must be located in Oregon, and services must be provided by a totalizator vendor identified in the hub operating plan as approved by the commission.

(10) An applicant must provide the following to the commission:

(a) Access to customer call monitoring, account holder detail, and electronic wagering data;

(b) On site regulatory visits of the call center by authorized commission staff; and

(c) Reimbursement to the commission for expenses associated with out-of-state regulatory visits.

(11) For accounts closed on or after July 1, 2024, an applicant must maintain all customer account-related documentation for a minimum of three years, or for the duration of any

self-exclusion period, whichever is greater, except as otherwise provided by this rule.

Account-related information includes, but is not limited to, wagering activity, deposits, and withdrawals.

(a) For self-excluded individuals whose elected period is beyond three years, the applicant is only required to maintain documentation necessary to identify the self-excluded individuals and retain those records for the duration of the self-excluded period.

(b) Electronic customer communications, including but not limited to, email, text, and social media, must be retained for a period of not less than one year.

(c) Audio recording(s) must be retained for a period of not less than three months.

Statutory/Other Authority: ORS 462.270(3) & 462.725

Statutes/Other Implemented: ORS 462.725

Reason for rule: Up

462-220-0030

Approval of the License for a Hub Operation

(1) Prior to operating a hub, the entity must submit a completed application and be granted a license, from the commission, to conduct simulcasting and pari-mutuel wagering in accordance with ORS 462.725 and these rules as a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub."

(a) A license duration will be five years and is subject to annual audits. Subsequent renewals shall be submitted for review and approval by the commission at least 60 days before June 30th of the fifth year.

(b) The current, daily licensing fee is to be remitted no later than June 30th preceding the July 1 start of each year licensing has been granted or is being requested. Upon request from a hub entity the executive director shall permit the hub entity to make semiannual or quarterly payments of the daily licensing fee with the first payment due no later than June 30.

(2) An applicant for a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub" license must provide the following information as part of the application thirty days prior to the scheduled commission meeting at which the application is to be presented:

(a) The applicant's legal name;

(b) If the applicant is a corporation, the names, addresses, dates of birth of its shareholders, directors and officers; if a shareholder is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its shareholders, directors and officers must be provided;

(c) If the applicant is a partnership the names, addresses, dates of birth of the partners; if a partner is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its share holders must be provided;

(d) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subsection (2)(b) and (2)(c) of this rule shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders;

(e) The names of the race tracks the applicant, or its agent, has contracts with that allow the applicant to provide the simulcast signals and pari-mutuel wagering on the product;

(f) Financial information from the applicant that demonstrates whether the applicant has the financial resources to install and operate a hub;

(g) A detailed budget showing anticipated revenue, expenditures and cash flows by month, from the hub's operation during the license period;

(h) The number of days that the applicant is planning to operate the hub during the fiscal year in which they are seeking to be licensed;

(i) A list of all hub personnel containing the name, position, job location, license number and expiration date. All current gaming licenses should be listed, regardless of jurisdiction;

(j) A chart illustrating the organizational structure, including reporting lines;

(k) A list of all states where the hub is operating; and

(l) Documentation of proper filing that the Hub applicant and/or parent company is registered to do business in the state of Oregon.

(3) As part of the application for licensure as a hub, the applicant shall submit a detailed plan of operations in a format and containing such information as required by the commission. At a minimum, the operating plan shall address the following issues:

(a) The manner in which the proposed simulcasting and wagering system will operate;

(b) The requirements for a "qualified subscriber based service" or "closed loop subscriber based system" set out in OAR 462-220-0010(2);

(c) Programs for responsible wagering; Beginning July 1, 2023, responsible wagering programs must include at a minimum:

(A) Annual training for all staff that interact directly with account holders;

(B) Advertising must include responsible wagering messaging;

(C) An account holder may request a one year, three year, five year or a lifetime self-exclusion;

(D) An account holder that has elected to self-exclude will be removed from any type of direct advertising or promotions; and

(E) Responsible wagering resources must be available on all ADW web and other sites, and must include information about where to get additional help.

(d) Mitigation for the effects of account wagering on the source market in Oregon. In addition to the source market mitigation plan as outlined in the application, more detailed source market information shall be provided by the hub at the commission's request. A mitigation plan must include one of the following options:

(A) An agreement with a state commercial race meet licensee as defined in ORS 462.062, a copy of which has been submitted to the commission; or

(B) A written agreement with the Oregon HBPA, a copy of which has been submitted to the commission; or

(C) A written plan submitted to, and approved by, the commission that mitigates the effect of account wagering and provides equitable compensation to the commercial race meet licensee as defined in ORS 462.062. Source market fees shall be paid statewide on Oregon accounts. Accounts must be available to Oregon residents if a hub is licensed in Oregon.

(e) The requirements for accounts established and operated for persons whose principal residence is outside of the state of Oregon. The commission may require changes in a proposed plan of operations as a condition of granting a license. No subsequent changes in the system's operation may occur unless ordered by the commission or until approval is obtained from the commission after it receives a written request.

(f) A list of any affiliate sites or potential affiliate sites of the hub. The operating plan must provide the following information and meet the following affiliate guidelines:

(A) The name and web address of the affiliate site.

(B) The person or companies involved in the affiliate agreement.

(C) That the affiliate site agreement is clearly noted as either a marketing or service agreement.

(D) Customers using the affiliate site will be customers of the licensed hub, subject to the same verification process and account operational procedures as any other customer of said hub licensee.

(E) The wagers placed through the affiliate site will be processed through equipment owned and operated by the licensed hub and their commission approved tote provider.

(F) The commission approved totalizator provider will incorporate the handle of the affiliate site into the handle report for the licensed hub, or generate a separate daily report for this handle. In either case, the handle will count as part of the hub licensee's handle, and the hub licensee will be responsible for all taxes on the handle generated from their own site and any affiliate sites.

(G) The affiliate site will be branded in some form to indicate to the customer that they will be wagering through systems operated by the licensed hub. The commission reserves the right to approve or deny any affiliate sites. Additionally, the commission may determine a handle level at which an affiliate site may need to apply for its own hub license, or at which the hub licensee must be subject to the tax rate described in OAR 462-220-0040(3).

(H) At the discretion of the ORC, the CEO/President or equivalent, and any operational staff management of the Affiliate shall have a current Oregon Racing Commission license.

(I) The service level agreement shall state a right to audit by the Oregon Racing Commission.

(4) Multi-jurisdictional hubs that offer handicapping contests must list each contest as a live money contest and/or an entry fee contest. All applications for approval must be accompanied by agreement(s) from the tracks.

(5) The commission may conduct investigations or inspections or request additional information from the applicant as it deems appropriate in determining whether to approve the license application.

(6) The fee of \$200 per day that the hub is scheduled to operate must accompany the application. If the license is denied by the commission the fee will be refunded less the amount equal to the amount that the commission expended in conducting investigations and inspections which was in excess of the expenses that would have otherwise been incurred by the commission.

(7) To ensure that the funds of an applicant's account holders will be properly held and maintained by the applicant:

(a) The applicant must provide evidence to the commission that the applicant has established a segregated account (the Bank Account) in which all funds of its account holders will be deposited in an insured account, approved by the commission, solely for the benefit of the account holders:

(A) No hub shall use the funds deposited in the Bank Account for any purpose except to facilitate the wagering activities and other instructions or agreements of account holders. The funds of an account holder held in the Bank Account shall remain the property of the account holder for all purposes until wagered by the account holder or otherwise withdrawn or used in accordance with the account holder's instruction or agreement;

(B) The hub shall maintain a record of each deposit, withdrawal or other use of funds held in the Bank Account for each account holder (the Customer Record);

(C) Any account holder, who claims that any credit or debit to his or her Customer Record is incorrect or who claims that any deposit, withdrawal or use of the account holder's funds is incorrect, may file a claim with the commission. The commission shall investigate all claims and provide the hub with an opportunity to respond to such claim. The hub may submit any information, documentation or other evidence supporting its position with respect to the claim. If the commission determines that the Customer Record is incorrect or that any deposit, withdrawal or use of an account holder's funds was incorrect, the hub shall have 10 days to correct same as instructed by the commission. Such correction may require the hub to correct the Customer Record for the account holder, to deposit additional funds into the Bank Account for the account holder, to remit funds directly to the account holder, or any combination thereof.

(b) The applicant must provide a \$50,000 irrevocable bond, letter of credit, or other security instrument to the commission, in a form acceptable to the commission, which designates the commission as the beneficiary thereof (the Security Instrument). The Security Instrument shall permit the commission to make draws to cover such amounts as the commission finds is necessary. For example, if a hub fails to deposit funds into the Bank Account for an account holder or to remit funds directly to the account holder, as described in subsection (7)(a)(C) above, within 10 days of the commission's decision, the commission may draw down on or take other appropriate action against the Security Instrument to ensure the account holder is immediately made whole.

(8) An applicant licensed under this section may enter into such agreements, as for what it deems good and sufficient reasons, that are necessary to promote, advertise and further the sport of racing or that may be necessary for the effective operation of interstate account wagering, including, without limitation, television production and telecommunications services.

(9) An applicant must maintain an operational presence within the State of Oregon. A call center for customer wagering, a sub-contract with an existing call center for customer wagering, or a business office is required. In addition, totalizator equipment must be located in Oregon, and services must be provided by a totalizator vendor identified in the hub operating plan as approved by the commission.

(10) An applicant must provide the following to the commission:

(a) Access to customer call monitoring, account holder detail, and electronic wagering data;

(b) On site regulatory visits of the call center by authorized commission staff; and

(c) Reimbursement to the commission for expenses associated with out-of-state regulatory visits.

(11) For accounts closed on or after July 1, 2024, an applicant must maintain all customer account-related documentation for a minimum of three years, or for the duration of any self-exclusion period, whichever is greater, except as otherwise provided by this rule. Account-related information includes, but is not limited to, wagering activity, deposits, and withdrawals.

(a) For self-excluded individuals whose elected period is beyond three years, the applicant is only required to maintain documentation necessary to identify the self-excluded individuals and retain those records for

the duration of the self-excluded period.

(b) Electronic customer communications, including but not limited to, email, text, and social media, must be retained for a period of not less than one year.

(c) Audio recording(s) must be retained for a period of not less than three months.

Fiscal impact: No

Hearing: Yes December 18, 2025 – Commissioner Berry

Advisory Committee – Yes

Reason for the rule:

Ensures the ability for ORC to audit all aspects of the licensees including any portion run by an affiliate.

Ability to run background checks and vet the leadership of the affiliate.



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 462
OREGON RACING COMMISSION

FILED

10/06/2025 10:07 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Amends 462-200-0360 (1) to identify required licensing at an off-track wagering facility.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 11/24/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

CONTACT: Karen Parkman
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PO Box 366
Gresham, OR 97030

Filed By:
Karen Parkman
Rules Coordinator

NEED FOR THE RULE(S)

Creates practical licensing requirements for an off-track wagering facility (OTB).

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

All working documents stored electronically with the agency and are available upon request.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Amendment does not affect racial equity.

FISCAL AND ECONOMIC IMPACT:

None

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

None

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved and are affected.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 462-200-0360

RULE SUMMARY: Identifies who must be licensed at an off-track wagering facility (OTB).

CHANGES TO RULE:

462-200-0360

Licenses for Other Employees and Officials at the Off-Track Wagering Facility ¶

(1) ~~All employees and officials~~ The General Manager (GM) or the Owner, if no GM position is designated, at the off-track wagering facility shall obtain a license ~~for such employment~~ from the Oregon Racing Commission as if the individual were performing the duties at a race course.¶

(2) Unless otherwise prohibited by provisions of statute or these rules, all off track licensees (e.g. owners, business managers, or employees) may wager at the off track sites they are connected with, EXCEPT, under no circumstances, shall any on duty mutuel clerk or mutuel manager wager at such a site.

Statutory/Other Authority: ORS 462.700

Statutes/Other Implemented: ORS 462.700



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 462
OREGON RACING COMMISSION

FILED

09/03/2025 3:59 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Amends 462-220-0030(6) to increase daily fee

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 10/22/2025 11:55 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

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Filed By:
Karen Parkman
Rules Coordinator

NEED FOR THE RULE(S)

Change in statute.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Agency has all documents electronically stored and available upon request.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Rule will not affect racial equity

FISCAL AND ECONOMIC IMPACT:

Yes. All hub operators (affected parties) were involved in the legislative process.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

All hub operators (affected parties) were involved in the legislative process. No cost to agency for compliance.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

All hub operators (affected parties) were involved in the legislative process.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

AMEND: 462-220-0030

RULE SUMMARY: Amends 462-220-0030(6) to increase daily fee from \$200.00/day to \$225.00/day

CHANGES TO RULE:

462-220-0030

Approval of the License for a Hub Operation ¶¶

(1) Prior to operating a hub, the entity must submit a completed application and be granted a license, from the commission, to conduct simulcasting and pari-mutuel wagering in accordance with ORS 462.725 and these rules as a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub." ¶¶

(a) A license duration will be five years and is subject to annual audits. Subsequent renewals shall be submitted for review and approval by the commission at least 60 days before June 30th of the fifth year. ¶¶

(b) The current, daily licensing fee is to be remitted no later than June 30th preceding the July 1 start of each year licensing has been granted or is being requested. Upon request from a hub entity the executive director shall permit the hub entity to make semiannual or quarterly payments of the daily licensing fee with the first payment due no later than June 30. ¶¶

(2) An applicant for a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub" license must provide the following information as part of the application thirty days prior to the scheduled commission meeting at which the application is to be presented: ¶¶

(a) The applicant's legal name; ¶¶

(b) If the applicant is a corporation, the names, addresses, dates of birth of its shareholders, directors and officers; if a shareholder is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its shareholders, directors and officers must be provided; ¶¶

(c) If the applicant is a partnership the names, addresses, dates of birth of the partners; if a partner is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its shareholders must be provided; ¶¶

(d) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subsection (2)(b) and (2)(c) of this rule shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders; ¶¶

(e) The names of the race tracks the applicant, or its agent, has contracts with that allow the applicant to provide the simulcast signals and pari-mutuel wagering on the product; ¶¶

(f) Financial information from the applicant that demonstrates whether the applicant has the financial resources to install and operate a hub; ¶¶

(g) A detailed budget showing anticipated revenue, expenditures and cash flows by month, from the hub's operation during the license period; ¶¶

(h) The number of days that the applicant is planning to operate the hub during the fiscal year in which they are seeking to be licensed; ¶¶

(i) A list of all hub personnel containing the name, position, job location, license number and expiration date. All current gaming licenses should be listed, regardless of jurisdiction; ¶¶

(j) A chart illustrating the organizational structure, including reporting lines; ¶¶

(k) A list of all states where the hub is operating; and ¶¶

(l) Documentation of proper filing that the Hub applicant and/or parent company is registered to do business in the state of Oregon. ¶¶

(3) As part of the application for licensure as a hub, the applicant shall submit a detailed plan of operations in a format and containing such information as required by the commission. At a minimum, the operating plan shall address the following issues: ¶¶

(a) The manner in which the proposed simulcasting and wagering system will operate; ¶¶

(b) The requirements for a "qualified subscriber based service" or "closed loop subscriber based system" set out in OAR 462-220-0010(2); ¶¶

(c) Programs for responsible wagering; Beginning July 1, 2023, responsible wagering programs must include at a minimum: ¶¶

(A) Annual training for all staff that interact directly with account holders; ¶¶

(B) Advertising must include responsible wagering messaging; ¶¶

(C) An account holder may request a one year, three year, five year or a lifetime self-exclusion; ¶¶

- (D) An account holder that has elected to self-exclude will be removed from any type of direct advertising or promotions; and¶
- (E) Responsible wagering resources must be available on all ADW web and other sites, and must include information about where to get additional help. ¶
- (d) Mitigation for the effects of account wagering on the source market in Oregon. In addition to the source market mitigation plan as outlined in the application, more detailed source market information shall be provided by the hub at the commission's request. A mitigation plan must include one of the following options:¶
- (A) An agreement with a state commercial race meet licensee as defined in ORS 462.062, a copy of which has been submitted to the commission; or¶
- (B) A written agreement with the Oregon HBPA, a copy of which has been submitted to the commission; or¶
- (C) A written plan submitted to, and approved by, the commission that mitigates the effect of account wagering and provides equitable compensation to the commercial race meet licensee as defined in ORS 462.062. Source market fees shall be paid statewide on Oregon accounts. Accounts must be available to Oregon residents if a hub is licensed in Oregon.¶
- (e) The requirements for accounts established and operated for persons whose principal residence is outside of the state of Oregon. The commission may require changes in a proposed plan of operations as a condition of granting a license. No subsequent changes in the system's operation may occur unless ordered by the commission or until approval is obtained from the commission after it receives a written request.¶
- (f) A list of any affiliate sites or potential affiliate sites of the hub. The operating plan must provide the following information and meet the following affiliate guidelines:¶
- (A) The name and web address of the affiliate site.¶
- (B) The person or companies involved in the affiliate agreement.¶
- (C) That the affiliate site agreement is clearly noted as either a marketing or service agreement.¶
- (D) Customers using the affiliate site will be customers of the licensed hub, subject to the same verification process and account operational procedures as any other customer of said hub licensee.¶
- (E) The wagers placed through the affiliate site will be processed through equipment owned and operated by the licensed hub and their commission approved tote provider.¶
- (F) The commission approved totalizator provider will incorporate the handle of the affiliate site into the handle report for the licensed hub, or generate a separate daily report for this handle. In either case, the handle will count as part of the hub licensee's handle, and the hub licensee will be responsible for all taxes on the handle generated from their own site and any affiliate sites.¶
- (G) The affiliate site will be branded in some form to indicate to the customer that they will be wagering through systems operated by the licensed hub. The commission reserves the right to approve or deny any affiliate sites. Additionally, the commission may determine a handle level at which an affiliate site may need to apply for its own hub license, or at which the hub licensee must be subject to the tax rate described in OAR 462-220-0040(3).¶
- (4) Multi-jurisdictional hubs that offer handicapping contests must list each contest as a live money contest and/or an entry fee contest. All applications for approval must be accompanied by agreement(s) from the tracks. ¶
- (5) The commission may conduct investigations or inspections or request additional information from the applicant as it deems appropriate in determining whether to approve the license application.¶
- (6) The fee of ~~\$200~~25 per day that the hub is scheduled to operate must accompany the application. If the license is denied by the commission the fee will be refunded less the amount equal to the amount that the commission expended in conducting investigations and inspections which was in excess of the expenses that would have otherwise been incurred by the commission.¶
- (7) To ensure that the funds of an applicant's account holders will be properly held and maintained by the applicant:¶
- (a) The applicant must provide evidence to the commission that the applicant has established a segregated account (the Bank Account) in which all funds of its account holders will be deposited in an insured account, approved by the commission, solely for the benefit of the account holders:¶
- (A) No hub shall use the funds deposited in the Bank Account for any purpose except to facilitate the wagering activities and other instructions or agreements of account holders. The funds of an account holder held in the Bank Account shall remain the property of the account holder for all purposes until wagered by the account holder or otherwise withdrawn or used in accordance with the account holder's instruction or agreement;¶
- (B) The hub shall maintain a record of each deposit, withdrawal or other use of funds held in the Bank Account for each account holder (the Customer Record);¶
- (C) Any account holder, who claims that any credit or debit to his or her Customer Record is incorrect or who claims that any deposit, withdrawal or use of the account holder's funds is incorrect, may file a claim with the commission. The commission shall investigate all claims and provide the hub with an opportunity to respond to such claim. The hub may submit any information, documentation or other evidence supporting its position with respect to the claim. If the commission determines that the Customer Record is incorrect or that any deposit,

withdrawal or use of an account holder's funds was incorrect, the hub shall have 10 days to correct same as instructed by the commission. Such correction may require the hub to correct the Customer Record for the account holder, to deposit additional funds into the Bank Account for the account holder, to remit funds directly to the account holder, or any combination thereof.¶¶

(b) The applicant must provide a \$50,000 irrevocable bond, letter of credit, or other security instrument to the commission, in a form acceptable to the commission, which designates the commission as the beneficiary thereof (the Security Instrument). The Security Instrument shall permit the commission to make draws to cover such amounts as the commission finds is necessary. For example, if a hub fails to deposit funds into the Bank Account for an account holder or to remit funds directly to the account holder, as described in subsection (7)(a)(C) above, within 10 days of the commission's decision, the commission may draw down on or take other appropriate action against the Security Instrument to ensure the account holder is immediately made whole.¶¶

(8) An applicant licensed under this section may enter into such agreements, as for what it deems good and sufficient reasons, that are necessary to promote, advertise and further the sport of racing or that may be necessary for the effective operation of interstate account wagering, including, without limitation, television production and telecommunications services.¶¶

(9) An applicant must maintain an operational presence within the State of Oregon. A call center for customer wagering, a sub-contract with an existing call center for customer wagering, or a business office is required. In addition, totalizator equipment must be located in Oregon, and services must be provided by a totalizator vendor identified in the hub operating plan as approved by the commission.¶¶

(10) An applicant must provide the following to the commission:¶¶

(a) Access to customer call monitoring, account holder detail, and electronic wagering data;¶¶

(b) On site regulatory visits of the call center by authorized commission staff; and¶¶

(c) Reimbursement to the commission for expenses associated with out-of-state regulatory visits.¶¶

(11) For accounts closed on or after July 1, 2024, an applicant must maintain all customer account-related documentation for a minimum of three years, or for the duration of any self-exclusion period, whichever is greater, except as otherwise provided by this rule. Account-related information includes, but is not limited to, wagering activity, deposits, and withdrawals.¶¶

(a) For self-excluded individuals whose elected period is beyond three years, the applicant is only required to maintain documentation necessary to identify the self-excluded individuals and retain those records for the duration of the self-excluded period.¶¶

(b) Electronic customer communications, including but not limited to, email, text, and social media, must be retained for a period of not less than one year.¶¶

(c) Audio recording(s) must be retained for a period of not less than three months.

Statutory/Other Authority: ORS 462.270(3), 462.725

Statutes/Other Implemented: ORS 462.725



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 462

OREGON RACING COMMISSION

FILED

11/21/2025 2:25 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Amends 462-220-0030 (3) (f) provides language for Affiliate licensing and service level requirements.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 01/10/2026 8:00 AM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Karen Parkman
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karen.parkman@orc.oregon.gov

PO Box 366
Gresham, OR 97030

Filed By:
Karen Parkman
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 12/18/2025

TIME: 9:00 AM - 9:30 AM

OFFICER: Quinn Berry

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-853-5927

CONFERENCE ID: 241427036

SPECIAL INSTRUCTIONS:

Meeting ID: 293 859 721 320 27

Passcode: Da3ac9La

NEED FOR THE RULE(S)

Ensures the ability for ORC to audit all aspects of the licensees including any portion run by an affiliate. Ability to run background checks and vet the leadership of the affiliate.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORC rules and statute -provides licensing and oversight for affiliates consistent with other agency business licensees.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Does not affect racial equity in the state.

FISCAL AND ECONOMIC IMPACT:

None

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

None

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved and are not affected

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 462-220-0030

RULE SUMMARY: Amends 462-220-0030 (3) (f) provides language for Affiliate licensing and service level requirements.

CHANGES TO RULE:

462-220-0030

Approval of the License for a Hub Operation ¶¶

(1) Prior to operating a hub, the entity must submit a completed application and be granted a license, from the commission, to conduct simulcasting and pari-mutuel wagering in accordance with ORS 462.725 and these rules as a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub." ¶¶

(a) A license duration will be five years and is subject to annual audits. Subsequent renewals shall be submitted for review and approval by the commission at least 60 days before June 30th of the fifth year. ¶¶

(b) The current, daily licensing fee is to be remitted no later than June 30th preceding the July 1 start of each year licensing has been granted or is being requested. Upon request from a hub entity the executive director shall permit the hub entity to make semiannual or quarterly payments of the daily licensing fee with the first payment due no later than June 30. ¶¶

(2) An applicant for a "Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub" license must provide the following information as part of the application thirty days prior to the scheduled commission meeting at which the application is to be presented: ¶¶

(a) The applicant's legal name; ¶¶

(b) If the applicant is a corporation, the names, addresses, dates of birth of its shareholders, directors and officers; if a shareholder is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its shareholders, directors and officers must be provided; ¶¶

(c) If the applicant is a partnership the names, addresses, dates of birth of the partners; if a partner is a corporation the date of incorporation, the place of incorporation and the names, addresses, and dates of birth of its shareholders must be provided; ¶¶

(d) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subsection (2)(b) and (2)(c) of this rule shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders; ¶¶

(e) The names of the race tracks the applicant, or its agent, has contracts with that allow the applicant to provide the simulcast signals and pari-mutuel wagering on the product; ¶¶

(f) Financial information from the applicant that demonstrates whether the applicant has the financial resources to install and operate a hub; ¶¶

(g) A detailed budget showing anticipated revenue, expenditures and cash flows by month, from the hub's operation during the license period; ¶¶

(h) The number of days that the applicant is planning to operate the hub during the fiscal year in which they are seeking to be licensed; ¶¶

(i) A list of all hub personnel containing the name, position, job location, license number and expiration date. All current gaming licenses should be listed, regardless of jurisdiction; ¶¶

- (j) A chart illustrating the organizational structure, including reporting lines;¶
- (k) A list of all states where the hub is operating; and¶
- (l) Documentation of proper filing that the Hub applicant and/or parent company is registered to do business in the state of Oregon.¶
- (3) As part of the application for licensure as a hub, the applicant shall submit a detailed plan of operations in a format and containing such information as required by the commission. At a minimum, the operating plan shall address the following issues:¶
 - (a) The manner in which the proposed simulcasting and wagering system will operate;¶
 - (b) The requirements for a "qualified subscriber based service" or "closed loop subscriber based system" set out in OAR 462-220-0010(2);¶
 - (c) Programs for responsible wagering; Beginning July 1, 2023, responsible wagering programs must include at a minimum:¶
 - (A) Annual training for all staff that interact directly with account holders;¶
 - (B) Advertising must include responsible wagering messaging;¶
 - (C) An account holder may request a one year, three year, five year or a lifetime self-exclusion;¶
 - (D) An account holder that has elected to self-exclude will be removed from any type of direct advertising or promotions; and¶
 - (E) Responsible wagering resources must be available on all ADW web and other sites, and must include information about where to get additional help. ¶
 - (d) Mitigation for the effects of account wagering on the source market in Oregon. In addition to the source market mitigation plan as outlined in the application, more detailed source market information shall be provided by the hub at the commission's request. A mitigation plan must include one of the following options:¶
 - (A) An agreement with a state commercial race meet licensee as defined in ORS 462.062, a copy of which has been submitted to the commission; or¶
 - (B) A written agreement with the Oregon HBPA, a copy of which has been submitted to the commission; or¶
 - (C) A written plan submitted to, and approved by, the commission that mitigates the effect of account wagering and provides equitable compensation to the commercial race meet licensee as defined in ORS 462.062. Source market fees shall be paid statewide on Oregon accounts. Accounts must be available to Oregon residents if a hub is licensed in Oregon.¶
 - (e) The requirements for accounts established and operated for persons whose principal residence is outside of the state of Oregon. The commission may require changes in a proposed plan of operations as a condition of granting a license. No subsequent changes in the system's operation may occur unless ordered by the commission or until approval is obtained from the commission after it receives a written request.¶
 - (f) A list of any affiliate sites or potential affiliate sites of the hub. The operating plan must provide the following information and meet the following affiliate guidelines:¶
 - (A) The name and web address of the affiliate site.¶
 - (B) The person or companies involved in the affiliate agreement.¶
 - (C) That the affiliate site agreement is clearly noted as either a marketing or service agreement.¶
 - (D) Customers using the affiliate site will be customers of the licensed hub, subject to the same verification process and account operational procedures as any other customer of said hub licensee.¶
 - (E) The wagers placed through the affiliate site will be processed through equipment owned and operated by the licensed hub and their commission approved tote provider.¶
 - (F) The commission approved totalizator provider will incorporate the handle of the affiliate site into the handle report for the licensed hub, or generate a separate daily report for this handle. In either case, the handle will count as part of the hub licensee's handle, and the hub licensee will be responsible for all taxes on the handle generated from their own site and any affiliate sites.¶
 - (G) The affiliate site will be branded in some form to indicate to the customer that they will be wagering through systems operated by the licensed hub. The commission reserves the right to approve or deny any affiliate sites. Additionally, the commission may determine a handle level at which an affiliate site may need to apply for its own hub license, or at which the hub licensee must be subject to the tax rate described in OAR 462-220-0040(3).¶
 - (H) The CEO/President and any operational staff management of the Affiliate shall have a current Oregon Racing Commission license. ¶
 - (I) The service level agreement shall state a right to audit by the Oregon Racing Commission.¶
- (4) Multi-jurisdictional hubs that offer handicapping contests must list each contest as a live money contest and/or an entry fee contest. All applications for approval must be accompanied by agreement(s) from the tracks. ¶
- (5) The commission may conduct investigations or inspections or request additional information from the applicant as it deems appropriate in determining whether to approve the license application.¶
- (6) The fee of \$200 per day that the hub is scheduled to operate must accompany the application. If the license is denied by the commission the fee will be refunded less the amount equal to the amount that the commission

expended in conducting investigations and inspections which was in excess of the expenses that would have otherwise been incurred by the commission.¶¶

(7) To ensure that the funds of an applicant's account holders will be properly held and maintained by the applicant:¶¶

(a) The applicant must provide evidence to the commission that the applicant has established a segregated account (the Bank Account) in which all funds of its account holders will be deposited in an insured account, approved by the commission, solely for the benefit of the account holders:¶¶

(A) No hub shall use the funds deposited in the Bank Account for any purpose except to facilitate the wagering activities and other instructions or agreements of account holders. The funds of an account holder held in the Bank Account shall remain the property of the account holder for all purposes until wagered by the account holder or otherwise withdrawn or used in accordance with the account holder's instruction or agreement;¶¶

(B) The hub shall maintain a record of each deposit, withdrawal or other use of funds held in the Bank Account for each account holder (the Customer Record);¶¶

(C) Any account holder, who claims that any credit or debit to his or her Customer Record is incorrect or who claims that any deposit, withdrawal or use of the account holder's funds is incorrect, may file a claim with the commission. The commission shall investigate all claims and provide the hub with an opportunity to respond to such claim. The hub may submit any information, documentation or other evidence supporting its position with respect to the claim. If the commission determines that the Customer Record is incorrect or that any deposit, withdrawal or use of an account holder's funds was incorrect, the hub shall have 10 days to correct same as instructed by the commission. Such correction may require the hub to correct the Customer Record for the account holder, to deposit additional funds into the Bank Account for the account holder, to remit funds directly to the account holder, or any combination thereof.¶¶

(b) The applicant must provide a \$50,000 irrevocable bond, letter of credit, or other security instrument to the commission, in a form acceptable to the commission, which designates the commission as the beneficiary thereof (the Security Instrument). The Security Instrument shall permit the commission to make draws to cover such amounts as the commission finds is necessary. For example, if a hub fails to deposit funds into the Bank Account for an account holder or to remit funds directly to the account holder, as described in subsection (7)(a)(C) above, within 10 days of the commission's decision, the commission may draw down on or take other appropriate action against the Security Instrument to ensure the account holder is immediately made whole.¶¶

(8) An applicant licensed under this section may enter into such agreements, as for what it deems good and sufficient reasons, that are necessary to promote, advertise and further the sport of racing or that may be necessary for the effective operation of interstate account wagering, including, without limitation, television production and telecommunications services.¶¶

(9) An applicant must maintain an operational presence within the State of Oregon. A call center for customer wagering, a sub-contract with an existing call center for customer wagering, or a business office is required. In addition, totalizator equipment must be located in Oregon, and services must be provided by a totalizator vendor identified in the hub operating plan as approved by the commission.¶¶

(10) An applicant must provide the following to the commission:¶¶

(a) Access to customer call monitoring, account holder detail, and electronic wagering data;¶¶

(b) On site regulatory visits of the call center by authorized commission staff; and¶¶

(c) Reimbursement to the commission for expenses associated with out-of-state regulatory visits.¶¶

(11) For accounts closed on or after July 1, 2024, an applicant must maintain all customer account-related documentation for a minimum of three years, or for the duration of any self-exclusion period, whichever is greater, except as otherwise provided by this rule. Account-related information includes, but is not limited to, wagering activity, deposits, and withdrawals.¶¶

(a) For self-excluded individuals whose elected period is beyond three years, the applicant is only required to maintain documentation necessary to identify the self-excluded individuals and retain those records for the duration of the self-excluded period.¶¶

(b) Electronic customer communications, including but not limited to, email, text, and social media, must be retained for a period of not less than one year.¶¶

(c) Audio recording(s) must be retained for a period of not less than three months.

Statutory/Other Authority: ORS 462.270(3), 462.725

Statutes/Other Implemented: ORS 462.725



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 462
OREGON RACING COMMISSION

FILED

11/21/2025 2:55 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Amends 462-220-0040 Corrects language from Gross to Net

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 01/10/2026 8:00 AM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Karen Parkman
503-853-5927
karen.parkman@orc.oregon.gov

PO Box 366
Gresham ,OR 97030

Filed By:
Karen Parkman
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 12/18/2025

TIME: 9:30 AM - 10:00 AM

OFFICER: Quinn Berry

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-853-5927

CONFERENCE ID: 241427036

SPECIAL INSTRUCTIONS:

Meeting ID: 293 859 721 320 27

Passcode: Da3ac9La

NEED FOR THE RULE(S)

Removes unnecessary language that requires constant updating and clarifies non-merged pool requirements.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORC rules and statute -provides language for non-merged pools and removes unnecessary language.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Does not affect racial equity in the state

FISCAL AND ECONOMIC IMPACT:

None

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

No cost to comply

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved and are not affected.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 462-220-0040

RULE SUMMARY: Amends 462-220-0040 corrects language from gross to net.

CHANGES TO RULE:

462-220-0040

State of Oregon Share of the Pari-Mutuel Handle ¶¶

In addition to the licensing fee set forth in OAR 462-220-0030(6), the hub operator shall pay to the Oregon Racing Commission the payments authorized by ORS 462.725(4)(b) on all ~~gross~~net mutuel wagering receipts recorded by the hub's totalizator system during the license period. The payments shall be made as follows:¶¶

(1) Payments shall be made each month based on the ~~gross~~net mutuel wagering receipts for that month.¶¶

(2) Payments shall be made in a timely manner as prescribed by the executive director of the commission.¶¶

(3) Payments shall be calculated according to one of the following formulas as elected by the hub operator in the manner specified in section (6~~5~~):¶¶

(a) Payment of 0.125% of the first 60 million dollars in ~~gross~~net mutuel wagering receipts during the license period and 0.25% of the ~~gross~~net mutuel wagering receipts in excess of 60 million dollars during that period; or¶¶

(b) Payment of 0.25% of ~~gross~~net mutuel wagering receipts, except that, if the hub operator conducts business in a state where hubs are specifically authorized and the tax rate is less than 0.25%, the tax rate for wagers by the residents of such state would be that of the state in which they reside. This exception is limited to a single state designated by the hub operator in the manner specified in section (7).¶¶

~~(4) Advanced deposit wagering handle from past live racing products will be calculated separately from all other gross mutuel wagering receipts recorded by the hub's totalizator system. These product wagering receipts will, however, follow the same payment structure as all other gross wagering receipts including the maximum payment set out in section (6).¶¶~~

~~(5) Each affiliate of a licensed multi-jurisdictional hub will follow the same payment structure as the licensed multi-jurisdictional hub including the calculations set out in section 3 and the maximum payment set out in section 6~~5~~. The additional payments, as outlined in (3), will occur after the affiliate's first \$20,000,000.00 in handle or after the licensee has reached their maximum payment, whichever occurs last. The first \$20,000,000.00 of the affiliate's handle and any additional handle if the licensee has not yet reached their maximum payment is exempt from separate fee payments. The first \$20,000,000.00 will nevertheless apply toward the licensee's maximum payment.¶¶~~

~~(6) Notwithstanding OAR 462-220-0040 (5), if an affiliate is operating non-merged pools, and exceeds the maximum payment set out in section (6) will increase 2.5% on an annual basis for each fiscal year through 2029-2030 unless the commission changes defined in (5), they shall pay .125% on all additional non-merged pool wagers placed through the licensee. There will be no maximum payment assessed on wagers that limit before the beginning of a fiscal year. ¶¶~~

~~(5) The maximum payments through for each fiscal year 2029-2030 are calculated below.¶¶~~

~~¶¶ will be published in advance and will increase by 2.5% each fiscal year – Fee Payment Schedule:¶¶~~

~~2025-26 – \$838,027.88¶¶~~

~~2026-27 – \$858,978.58¶¶~~

~~2027-28 – \$880,453.04¶¶~~

~~2028-29 – \$902,464.37¶¶~~

~~2029-2030 - \$925,025.97. The commission may change that limit prior to the start of each fiscal year.~~¶

(76) The hub operator shall state in its license application its election to pay tax calculated pursuant to section (3), subsections (a) or (b), for grossnet mutuel wagering handle ~~minus cancels and refunds~~, and shall also designate a state that is subject to the exception in section (3), subsection (b), if that formula is elected. The hub operator statement shall be made in its license application or at such other time as is specified by the Commission. Neither the payment formula nor the state subject to the exception may be changed during a license period without the prior approval of the Commission.

Statutory/Other Authority: ORS 462.270(3), 462.725

Statutes/Other Implemented: ORS 462.725

462-220-0040

State of Oregon Share of the Pari-Mutuel Handle.

In addition to the licensing fee set forth in OAR 462-220-0030(6), the hub operator shall pay to the Oregon Racing Commission the payments authorized by ORS 462.725(4)(b) on ~~all gross~~ gross net mutuel wagering receipts minus cancels and refunds recorded by the hub's totalizator system during the license period. The payments shall be made as follows:

(1) Payments shall be made each month based on the ~~gross~~ gross net mutuel wagering receipts for that month.

(2) Payments shall be made in a timely manner as prescribed by the executive director of the commission.

(3) Payments shall be calculated according to one of the following formulas as elected by the hub operator in the manner specified in section (6):

(a) Payment of 0.125% of the first 60 million dollars in ~~gross~~ gross net mutuel wagering receipts during the license period and 0.25% of the ~~gross~~ gross net mutuel wagering receipts in excess of 60 million dollars during that period; or

(b) Payment of 0.25% of ~~gross~~ gross net mutuel wagering receipts, except that if the hub operator conducts business in a state where hubs are specifically authorized and the tax rate is less than 0.25%, the tax rate for wagers by the residents of such state would be that of the state in which they reside. This exception is limited to a single state designated by the hub operator in the manner specified in section (7).

~~(4) Advanced deposit wagering handle from past live racing products will be calculated separately from all other gross net mutuel wagering receipts recorded by the hub's totalizator system. These product wagering receipts will, however, follow the same payment structure as all other gross net wagering receipts including the maximum payment set out in section (6).~~

~~(5)~~ **(4)** Each affiliate of a licensed multi-jurisdictional hub will follow the same payment structure as the licensed multi-jurisdictional hub including the **calculations set out in section 3 and the** maximum payment set out in section **6.5**. The additional payments, as outlined in (3), will occur after the affiliate's first \$20,000,000.00 in handle or after the licensee has reached their maximum payment, whichever occurs last. The first \$20,000,000.00 of the affiliate's handle and any additional handle if the licensee has not yet reached their maximum payment is exempt from separate fee payments. The first \$20,000,000.00 will nevertheless apply toward the licensee's maximum payment. If an affiliate is operating non-merged pools, and exceeds the maximum payment as defined in (5), they shall pay 125% on all additional non-merged pool wagers placed through the licensee. There will be no maximum payment assessed on wagers placed on non-merged pools.

(5) The maximum payment for each fiscal year will be published in advance and will increase by 2.5% each fiscal year. The commission may change that limit prior to the start of each fiscal year.

~~(6) Notwithstanding OAR 462-220-0040 (5), the maximum payment set out in section (6) will increase 2.5% on an annual basis for each fiscal year through 2029-2030 unless the commission changes that limit~~

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before the beginning of a fiscal year. Maximum payments through fiscal year 2029-2030 are calculated below.

Fiscal Year — Fee Payment Schedule:

~~2025-26 — \$838,027.88~~

~~2026-27 — \$858,978.58~~

~~2027-28 — \$880,453.04~~

~~2028-29 — \$902,464.37~~

~~2029-2030 — \$925,025.97~~

~~(7)~~ (6) The hub operator shall state in its license application its election to pay tax calculated pursuant to section (3), subsections (a) or (b), for ~~gross~~ gross net ~~mutuel wagering handle~~ minus cancels and refunds ~~minus cancels and refunds~~ and shall also designate a state that is subject to the exception in section (3), subsection (b), if that formula is elected. The hub operator statement shall be made in its license application or at such other time as is specified by the Commission. Neither the payment formula nor the state subject to the exception may be changed during a license period without the prior approval of the Commission.

Statutory/Other Authority: ORS 462.270(3) & 462.725

Statutes/Other Implemented: ORS 462.725

History:

[RC 13-2025, minor correction filed 10/08/2025, effective 10/08/2025](#)

[RC 10-2025, amend filed 08/27/2025, effective 08/28/2025](#)

[RC 5-2024, amend filed 02/23/2024, effective 02/23/2024](#)

[RC 2-2023, amend filed 03/02/2023, effective 03/02/2023](#)

[RC 2-2019, amend filed 10/10/2019, effective 10/10/2019](#)

[RC 8-2018, amend filed 12/10/2018, effective 12/10/2018](#)

RC 2-2016, f. & cert. ef. 5-9-16

RC 3-2012, f. 10-9-12, cert. ef. 10-15-12

RC 2-2012, f. 5-29-12, cert. ef. 6-1-12

RC 1-2005, f. 5-23-05, cert. ef. 7-1-05

RC 3-2004, f. 6-23-04, cert. ef. 7-1-04

RC 4-2003, f. 6-20-03, cert. ef. 7-1-03

RC 3-2003, f. 6-13-03, cert. ef. 7-1-03

RC 4-2002, f. & cert. ef. 6-28-02

RC 1-2001, f. & cert. ef. 3-19-01

RC 3-2000, f. 3-27-00, cert. ef. 5-1-00

Fiscal impact: No

Advisory meeting required: Yes December 4, 2025, 12:00

Hearing requirement: Yes December 18, 2025, Commissioner Berry

Reason for the rule:

Corrects the gross to net

Removes unnecessary language that requires constant updating

~~Clarifies Non-Merged Pool requirements.~~



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 462
OREGON RACING COMMISSION

FILED

11/21/2025 3:10 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Amends 462-220-0050 provides language for non-merged pools to require reimbursement regarding oversight.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 01/10/2026 1:00 AM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Karen Parkman
503-853-5927
karen.parkman@orc.oregon.gov

PO Box 366
Gresham, OR 97030

Filed By:
Karen Parkman
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 12/18/2025

TIME: 10:00 AM - 10:30 AM

OFFICER: Quinn Berry

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-853-5927

CONFERENCE ID: 241427036

SPECIAL INSTRUCTIONS:

Meeting ID: 293 859 721 320 27

Passcode: Da3ac9La

NEED FOR THE RULE(S)

To provide for reimbursement for any oversight needed of non-merged pools

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORC Rules and statutes stored electronically and available upon request

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Does not affect racial equity in the state

FISCAL AND ECONOMIC IMPACT:

None

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

No cost to comply

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

small businesses were not involved and are not affected

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 462-220-0050

RULE SUMMARY: Amends 462-220-0050 provides language for non-merged pools to require reimbursement regarding oversight.

CHANGES TO RULE:

462-220-0050

Total Take-out Rates for Non-Merged Pools ¶¶

(1) A Hub operator may include a provision for hosting non-merged pools as part of their operating plan or update to the plan. Subject to approval by the Commission, the Hub operator shall:¶¶

(a) As part of the operating plan or update to the plan, set the total take-out rate for those wagering pools which are not merged with the wagering pools of the race track where the race is being run live; and¶¶

(b) ~~Pay a 1% fee to the Commission for all hosted non-merged wagers excluding wagers placed through the Hub operator's own ADW system which will be taxed under the formulas set out in OAR 462-220-0040~~The Commission may require reimbursement for any oversight of non-merged pools, which will be negotiated in advance.¶¶

(2) Fees required under this provision do not apply to wagering options such as a betting exchange.

Statutory/Other Authority: ORS 462.270(3), 462.725

Statutes/Other Implemented: ORS 462.725

462-220-0050

Total Take-out Rates for Non-Merged Pools

(1) A Hub operator may include a provision for hosting non-merged pools as part of their operating plan or update to the plan. Subject to approval by the Commission, the Hub operator shall:

(a) As part of the operating plan or update to the plan, set the total take-out rate for those wagering pools which are not merged with the wagering pools of the racetrack where the race is being run live; and

~~(b) Pay a 1% fee to the Commission for all hosted non-merged wagers excluding wagers placed through the Hub operator's own ADW system which will be taxed under the formulas set out in OAR 462-220-0040.~~

(b) The Commission may require reimbursement for any oversightte of non-merged pools, which will be negotiated in advance.

(2) Fees required under this provision do not apply to wagering options such as a betting exchange.

Statutory/Other Authority: ORS 462.270(3) & 462.725

Statutes/Other Implemented: ORS 462.725

History:

RC 2-2012, f. 5-29-12, cert. ef. 6-1-12

RC 3-2000, f. 3-27-00, cert. ef. 5-1-00

Fiscal impact: No

Advisory meeting required: Yes

Hearing requirement: Yes



Oregon Racing Commission	
Title:	Dust Storm Policy
Policy Number:	2026-462-2
Applicability:	All Racing Commission Staff
Reference:	NA
Effective Date:	February 1, 2026
Approved:	Connie Winn - Executive Director

Applies To: All licensed race meets, race officials, track operators, participants, and support personnel.

1. Purpose

The purpose of this policy is to establish clear standards and procedures for the management of **dust storms, blowing dust, and wind-related airborne particulate conditions** that may jeopardize the safety of horses, riders/drivers, officials, backstretch workers, and spectators at Oregon race meets.

Dust and airborne particulates significantly affect **visibility, air quality, footing, and respiratory health**, and therefore require defined operational thresholds and decision-making authority.

2. Scope

This policy applies to:

- All **pari-mutuel race meets** licensed by the Oregon Racing Commission.
- All **racetrack operators**, Track Stewards, regulatory veterinarians, and race personnel.
- All **participants**, including trainers, jockeys, drivers, grooms, and contractors.
- **Pre-race, in-race, and post-race** operations.

3. Definitions

- Dust Storm: A weather event characterized by high winds lifting significant dust, reducing visibility—often to ¼ mile or less—and posing respiratory and safety hazards.
- Blowing Dust Conditions: Any wind-related dust movement that reduces visibility, irritates eyes/respiratory systems, or obscures track surfaces.
- Visibility Threshold: A pre-determined minimum visibility required for safe racing, generally ¼ mile or a standard set by the Stewards.
- Airborne Particulate Hazard: Any dust concentration judged by the Regulatory Veterinarian or Stewards to pose a health or performance risk.

4. Roles & Responsibilities

4.1 Oregon Racing Commission Stewards

- Serve as primary decision-makers regarding race delays, suspensions, or cancellations.
- Assess conditions in coordination with the track superintendent and regulatory veterinarian.
- Issue official rulings regarding race status.

4.2 Regulatory Veterinarian

- Evaluates equine respiratory, ocular, and general health impact.
- Advises Stewards when conditions pose unacceptable health risk.
- Documents medical findings related to dust exposure.

4.3 Track Superintendent

- Monitors track surface conditions, wind patterns, moisture content, and dust generation potential.
- Implements mitigation measures (watering, soil treatment, equipment deployment).
- Provides real-time assessment to Stewards.

4.4 Racetrack Operator

- Ensures staff are trained in dust storm protocol.
- Maintains communication systems for participants and public.
- Ensures dust-mitigation equipment is available and operational.

4.5 Jockeys/Drivers/Trainers

- Report visibility or respiratory concerns to Stewards or veterinarians.
- Comply with directives issued under this policy.

5. Monitoring & Early Detection

5.1 Weather Monitoring

- Track personnel must monitor:
- National Weather Service (NWS) advisories, including Dust Storm Warnings.
- Active wind speeds, gusts, and sudden wind shifts.
- Forecasted high-wind events.

5.2 On-Site Observations

- Daily inspections shall evaluate:
- Track moisture and dust potential.
- Visibility at all points of the oval and in warm-up/paddock areas.
- Presence of advancing dust clouds.
- Backstretch and stable-area air quality.

6. Operational Response Levels

The following tiers guide operational decisions:

Level 1 — Heightened Awareness

Conditions:

- Increasing winds with light visible dust.
- No NWS advisory, but reduced visibility or rising dust movement detected.

Required Actions:

- Increase track watering or suppression measures.
- Notify Stewards, veterinarians, and jockey/trainer representatives.
- Prepare contingency communications (public address updates, social media, wagering partners).
- Slow or restrict non-essential vehicular movement generating added dust.

Level 2 — Operational Modification

Conditions:

- Sustained winds or gusts creating moderate blowing dust.
- Visibility trending downward but still above safe racing threshold.
- Dust irritation noted in horses or personnel.

Possible Actions:

- Delay race post times until conditions stabilize.
- Reduce field size as needed.
- Adjust race schedule or shorten card.
- Increase paddock/track watering frequency.
- Move pre-race activities to more sheltered areas if available.
- Provide eye/respiratory protective options to personnel where appropriate.

Level 3 — Race Suspension or Cancellation

Conditions:

One or more of the following:

- Visibility $\leq \frac{1}{4}$ mile or unsafe for racing.
- NWS Dust Storm Warning issued for the track's location.
- Dust clouds crossing the racing surface.
- Regulatory veterinarians confirm unsafe respiratory/ocular conditions.
- Track footing compromised.

Required Actions:

- Stewards order suspension or cancellation.
- Horses removed from track to safe, low-dust environments.
- Public, wagering outlets, and participants notified immediately.
- Event log recorded with justification and time stamps.

7. Equine Care & Welfare

7.1 Pre-Race

- Evaluate horses for respiratory or ocular irritation before racing.
- Provide sheltered warm-up spaces when feasible.
- Permit additional pre-race exam time at veterinarian's discretion.

7.2 Post-Race

- Cool-outs must occur in well-ventilated, low-dust areas.
- Flush eyes and nasal passages as needed.
- Observe for coughing, nasal discharge, elevated respiration, or other dust-related symptoms.

7.3 Barn & Backstretch Management

- Maintain ventilation and minimize stable-area dust sources.
- Reduce sweeping/vehicle movement during dust events.
- Ensure adequate hydration for horses and personnel.

8. Track Surface & Facility Mitigation

- Maintain optimal moisture content on dirt surfaces.
- Use approved dust-suppressing agents when appropriate.
- Maintain vegetation or windbreaks where practical.
- Assess wind-exposed areas for additional protection.
- Conduct annual review of surface material and dust risk.

9. Communication Protocols

9.1 Internal Communication

- Stewards must immediately notify all key personnel when conditions escalate.
- Radio and emergency channels must remain clear and monitored.

9.2 Public & Wagering Communications

Upon delay, suspension, or cancellation:

- Provide public address announcements.
- Update websites, social media, and wagering information systems.
- Offer clear reasoning tied to safety and regulatory compliance.

10. Documentation & Reporting

Following any Level 2 or Level 3 event, the Stewards shall file an incident report including:

- Weather and visibility metrics

- Veterinary observations
- Track superintendent assessment
- Time-stamped decision log
- Actions taken
- Recommendations for policy refinement

Reports must be submitted to the Oregon Racing Commission within **72 hours**.

11. Training & Annual Review

- Racetrack operators must conduct **annual training** for staff on this policy.
- The ORC will review and update this policy at least **once per year** or following a major dust-related incident.
- Recommendations from Stewards, veterinarians, or operators may initiate mid-season revisions.

12. Enforcement

Failure by a race meet licensee or participant to comply with this policy may result in disciplinary action under ORC rules, including:

- Fines
- License suspension
- Revocation of race meet approval

Appendix A – Quick-Reference Decision Matrix

Condition Example Indicators		Action
Level 1	Light blowing dust, winds increasing	Increase mitigation, notify personnel
Level 2	Moderate dust, visibility declining	Delay races, increase watering, modify card
Level 3	Visibility $\leq \frac{1}{4}$ mile, NWS warning, dust clouds on track	Suspend or cancel racing



Oregon Racing Commission	
Title:	Audit Charter Plan
Policy Number:	2026-2-1
Applicability:	All Racing Commission Staff
Reference:	
Effective Date:	February 1, 2026
Approved:	Connie Winn - Executive Director

EXECUTIVE SUMMARY

The Oregon Racing Commission Audit Charter establishes the authority, scope, and governance structure for all auditing and inspection functions conducted under the Commission's regulatory authority. Pursuant to **ORS Chapter 462** and **OAR Chapter 462**, this Charter defines the standards and responsibilities of the Director of Administration, Director of Mutuels, Supervisor of Mutuels, and Chief Investigator in carrying out financial, operational, information security, and compliance audits across Oregon's racing industry.

The Charter promotes transparency, integrity, and accountability in all wagering and racing operations licensed by the Commission and is adopted by formal vote of the Oregon Racing Commission, effective ~~May~~**February 1, 2026**.

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1. VISION AND MISSION

Vision

The Oregon Racing Commission is the go-to source for industry-respected regulations, customer-focused processes, athlete safety and welfare, and empowered excellence in racing.

Mission

The Oregon Racing Commission is dedicated to promoting the highest standards of safety and integrity within the equine racing industry, both on-ground and online. Our mission is to safeguard the welfare of athletes, both human and equine, with a steadfast commitment to the best interests of our citizenry, licensees, participants, and the economy.

2. PURPOSE

This Charter establishes the authority, responsibilities, and framework for the Oregon Racing Commission's audit and assurance functions. It ensures compliance with **ORS Chapter 462** and **OAR Chapter 462**, supports responsible financial management, and reinforces transparency and accountability throughout the regulated racing industry.

3. AUTHORITY

The Oregon Racing Commission derives its authority from **ORS 462.270** and **ORS 462.700–462.740**, which grant the Commission power to regulate, license, and oversee wagering and racing activities within Oregon.

Audit and reporting authority is further detailed in **OAR 462-220-0070(1)– (4)**, granting Commission staff unrestricted access to records, facilities, and financial data, and authorizing the Commission to require annual audited financial statements from licensees.

All audits and inspections under this Charter are performed consistent with these provisions and in accordance with **OAR 462-140-0125(1)– (4)**, empowering the Director of Mutuels to request financial and operational data and to conduct reviews of all wagering activities.

4. ORGANIZATIONAL STRUCTURE AND INDEPENDENCE

The Commission consists of five members, with the Executive Director reporting directly to the Commission. Audit responsibilities are distributed as follows:

Position	Audit Responsibilities	Frequency	Reports To
Director of Administration	Conducts biennial audits of Hub Fund grants ; performs independent reconciliations and deposit verifications but holds no approval authority over expenditures.	Every two years	Executive Director
Director of Mutuels	Conducts annual audits of online wagering companies (ADW Hubs) for financial, IT, and compliance controls; performs daily tote report audits and verifies weekly fee payments from licensees of ADWs	Daily / Annual	Executive Director
Supervisor of Mutuels	Conducts annual audits of pari-mutuel operations at live race meets, fairs, and off-track betting locations; oversees responsible wagering and age verification . Daily notation of tote reports which are audited against weekly payments.	Daily/ Annual	Director of Mutuels
Chief Investigator	Performs inspections of off-track wagering facilities for compliance, operations, and security.	Annual	Executive Director

All discrepancies are **immediately reported to the Executive Director**.

Audit staff operate independently, free from interference, and with full access as authorized under **OAR 462-220-0070(1)**.

5. OBJECTIVES

1. Ensure compliance with **ORS Chapter 462** and **OAR Chapter 462**.
 2. Verify accuracy of financial reporting and Hub Fund distribution.
 3. Assess the adequacy of internal controls, risk management, and IT security.
 4. Validate compliance with licensing, responsible wagering, and age verification standards.
 5. Support transparency and continuous improvement in Commission oversight.
-

6. SCOPE OF WORK

Audits and inspections include, but are not limited to:

- **Financial audits:** segregated accounts, tote balances, Hub Fund reconciliation (**OAR 462-220-0070(3)**).
 - **Operational audits:** ADW, off-track, and race meet procedures.
 - **IT and information security:** access authorization, data protection (**OAR 462-210-0030(1)(b)–(c)**).
 - **Compliance audits:** licensing, responsible wagering (**OAR 462-220-0020**), and AML safeguards.
 - **Annual off-track betting (OTB) inspections:** verification of wagering operations per **OAR 462-200-0370(4)** and (8).
-

7. SEPARATION OF DUTIES

To maintain financial integrity:

- The **Director of Mutuels** and **Supervisor of Mutuels** audit and verify wagering and tote reports daily.
 - The **Director of Administration** performs **independent reconciliation** and deposits checks but has **no expenditure authority**.
 - Duties are segregated to prevent any single individual from controlling financial transactions from start to finish.
 - This separation is consistent with **OAR 462-140-0125** and the Commission's internal controls.
-

8. REPORTING AND ESCALATION

All discrepancies, compliance issues, or operational irregularities must be reported immediately to the **Executive Director** and documented.

Outages or operational issues affecting wagering operations, data integrity, or customer access must be reported in compliance with the following rules:

- **OAR 462-220-0070(2) (a–c)** — 48-hour reporting of hub closures and transmission failures, immediate reporting of irregularities.
- **OAR 462-210-0040(10)** 48-hour written report if the account wagering center is closed.
- **OAR 462-200-0110(1)– (2)** — Immediate emergency reporting by the pari-mutuel manager to the Supervisor of Mutuels.
- **OAR 462-200-0370(4) & (8)** Timely problem reporting and data-loss procedures for off-track betting locations.

9. AUDIT STANDARDS AND METHODOLOGY

Audits are conducted in accordance with:

- **Generally Accepted Government Auditing Standards (GAGAS),**
- **ORS Chapter 462** and **OAR Chapter 462**, and
- State of Oregon internal control and IT security policies.

Methodology includes risk assessment, sampling, data verification, interviews, and system testing. Documentation follows **OAR 462-220-0070(4)** for recordkeeping and audit accessibility.

10. AUDIT DOCUMENTATION AND RETENTION

All audit documentation, including reports, workpapers, and supporting data, shall be maintained for **(10) years with the exception of OTB Inspections which is (5) years** or as otherwise required under the **Oregon Public Records Law (ORS 192)**.

Records are securely stored, with digital files protected under state cybersecurity and confidentiality policies.

A copy of all audits must be submitted to the Executive Director for review and sign off before final filing.

12. REVIEW AND ADOPTION

This Audit Charter is adopted by formal vote of the **Oregon Racing Commission** and will be **reviewed every two years** as required.

Updates will reflect changes in applicable laws, administrative rules, or Commission structure.

12. REVISION HISTORY

Version	Date	Description	Approved By
1.0	Jan 1, 2025	Initial Charter Adoption	Oregon Racing Commission

13. APPENDIX A – APPLICABLE ORS AND OAR PROVISIONS

ORS 462.270 – Duties and powers of the Commission.

ORS 462.700–462.740 – Multi-jurisdictional simulcasting and wagering; regulatory oversight.

OAR 462-140-0125 – Duties of the Director of Mutuels, authority to request audits and reports.

OAR 462-200-0110 – Emergency procedures and reporting requirements.

OAR 462-200-0370(4) & (8) – Reporting of problems and data loss at off-track facilities.

OAR 462-210-0030 – Account wagering: identity verification and reporting obligations.

OAR 462-210-0040(10) – Reporting of hub closures.

OAR 462-220-0070(1)–(4) – Commission audit access, reporting, and record requirements.

ORS 192 – Public Records retention requirements.



Oregon Racing Commission	
Title:	Disaster Recovery Plan
Policy Number:	2026-462-1
Applicability:	All Racing Commission Staff
Reference:	ORC Continuation of Operations Plan
Effective Date:	February 1, 2026
Approved:	Connie Winn - Executive Director

1. Purpose and Scope (Aligned with COOP)

This Disaster Recovery Plan (DRP) directly supports and aligns with the Oregon Racing Commission's Continuity of Operations Plan (COOP). The COOP establishes enterprise-wide expectations for continuity, while this DRP provides the detailed IT, system, vendor, remote-work, and operational restoration procedures enabling the ORC to meet its COOP obligations.

This DRP specifically fulfills COOP Sections **7 (Disaster Recovery Planning)** and **9 (Essential Functions)** by outlining the technical and operational recovery steps necessary to:

- Restore essential functions within COOP-mandated Recovery Time Objectives (RTOs).
- Support remote work and alternative site relocation as outlined in COOP Section 7 (Loss of Facility, Loss of Power, Loss of IT/Network).
- Maintain operations for the required **30-day continuity window** specified in COOP Section 1.
- Coordinate with DAS, Cascade Technology Alliance, Verizon, and other partners identified in the COOP.

The plan also integrates COOP roles, responsibilities, succession, recovery priorities, and reconstitution steps as described in COOP Sections **8, 9, and 10**. This Disaster Recovery Plan (DRP) establishes the Oregon Racing Commission's (ORC) policies, procedures, and responsibilities for restoring critical operations following a disruption. It covers technological, operational, and communication-based recovery actions affecting:

- Licensing and regulatory operations
- Remote work capabilities
- IT infrastructure and support
- Commission oversight functions
- Wagering oversight and fair meet interaction
- Online wagering company audits

This DRP applies to all ORC employees, contractors, and third-party service providers.

2. Critical Partners and Responsibilities

2.1 Cascade Technology Alliance (CTA)

CTA is responsible for IT assistance, including:

- Workstation setup and configuration
- New account creation and access provisioning
- Emergency troubleshooting for end-user devices
- Assistance with Microsoft 365 access issues

2.2 Department of Administrative Services (DAS)

DAS provides enterprise-level support, including:

- Server hosting (ORC licensing database servers located in Salem, OR)
- Data backups and restoration
- Enterprise security monitoring
- Network infrastructure support for state systems

2.3 Verizon Wireless

Verizon provides mobile communications services:

- Agency-issued cell phones
- Hotspot and mobile data services for remote work
- Replacement devices in emergencies

2.4 United Tote (Fair Meets)

United Tote supports wagering terminals and pari-mutuel systems at fair meets:

- Tote system functionality
- On-site wagering operations

- Communications with ORC on system outages
-

3. Key Systems and Dependencies

3.1 Licensing Database (Hosted in Salem)

- Mission-critical system for issuing and validating racing and wagering licenses.
- Accessible remotely via secure state network.
- DAS maintains hardware, backups, and recovery.

3.2 Microsoft Outlook and Office Suite

- Managed under Oregon state M365 enterprise environment.
- Essential for administrative, regulatory, and investigative duties.

3.3 ORC Website (PowerPoint-Based System)

- Managed internally and hosted on state infrastructure.
- Provides public notices, racing information, rules, and license materials.

3.4 Network Drives (Separation of Duties)

- “X: Drive”: Administrative, licensing, operations
- “Y: Drive”: Investigations, auditors, stewards, and restricted documents
- Hosted on DAS servers with standard state security protocols

3.5 Remote Work Environment

- Default working model for staff when racing is not in session.
- Dependent on Microsoft 365, VPN access, and Verizon connectivity.

3.6 Auditor Travel for Multi-jurisdictional Reviews

- Requires access to:
 - Licensing records
 - Regulatory audit checklists
 - Secure communications
 - Remote system access
-

4. Risk Assessment

4.1 Natural Hazards

- Earthquake disrupting Salem-based server infrastructure
- Wildfire affecting employees or communications
- Severe weather restricting travel or damaging utilities

4.2 Technology Hazards

- Server outages (licensing database unavailable)
- Cyberattacks on state systems
- Loss of VPN or Microsoft 365 access
- Hardware failures (laptops, phones)

4.3 Operational Hazards

- Failure of United Tote wagering systems
- Loss of mobile communication during travel audits
- Human error affecting licensing or wagering operations

4.4 Vendor/Dependency Failures

- CTA service interruption
 - DAS network or backup failure
 - Verizon network outage
-

5. Disaster Recovery Objectives

5.1 Recovery Time Objective (RTO)

The maximum acceptable downtime:

- Licensing database: **24 hours**
- Network drives: **24 hours**
- Email/M365 access: **8 hours**
- Remote work capability: **8 hours**
- Website availability: **48 hours**
- Wagering system integrity: **Immediate notification; rapid restoration via United Tote**

5.2 Recovery Point Objective (RPO)

Maximum acceptable data loss:

- Licensing records: **0–12 hours** (DAS backups)

- Administrative documents: **24 hours**
 - Audit fieldwork: **Local device copy required**
-

6. Disaster Response Procedures

6.1 Initial Response Steps

1. **Ensure personal safety**
2. **Assess the situation** (impact, duration, systems affected).
3. **Notify leadership** (Executive Director, Chairs, key staff).
4. **Activate DRP** if a critical system is impacted.
5. **Document all events** from the moment the disruption is identified.

6.2 Communication Protocols

- Primary: Verizon mobile/text
- Secondary: Outlook email
- Tertiary: Microsoft Teams chat
- Emergency: DAS Service Desk Alerts

6.3 If State Systems Are Down (DAS Outage)

- Contact DAS Enterprise Helpdesk
- Cascade Technology Alliance assists employees with alternative connectivity
- Temporary manual licensing procedures may be authorized

6.4 If Workstation or Laptop Fails

- Advise Sr. Management
- Contact CTA for immediate replacement/repair
- Staff member switches to backup device if available

6.5 If Verizon Network Is Down

- Use Wi-Fi internet if available
- Use Microsoft Teams for calls
- Notify Verizon for device/service outage reporting

6.6 If Licensing Database Fails

- Advise Sr. Management
- DAS restores from most recent backup
- Manual paper licensing procedures begin

- Stewards, investigators, and auditors notified
- Resume operations once restored

6.7 If Website Fails

- Advise Sr. Management
 - Contact Tyler web hosting and communications team
 - Public notices distributed via:
 - Email
 - Social media
 - Fair meet coordinators
-

7. Fair Meets and Wagering Disaster Procedures

7.1 United Tote System Disruption

- Immediate notification to ORC
- Tote system backup procedures initiated
- Stewards and Executive Director notified
- Manual wagering may be prohibited depending on severity

7.2 ORC Presence and Oversight

- Investigators and veterinarians maintain radio/phone communications
 - Race meet may be paused depending on system impact
-

8. Remote Work Disaster Procedures

8.1 Loss of Remote Access

- Attempt alternate internet (hotspot, public Wi-Fi where safe)
- CTA troubleshooting
- DAS VPN/remote access ticket opened

8.2 Employee Location Issues

- Employees report inability to work to supervisor
- Determine whether essential functions need reassignment

8.3 Loss of Statewide Microsoft 365 Access

- DAS announces outage windows
 - Use Verizon/texting for urgent coordination
-

9. Continuity for Traveling Auditor (Aligned with COOP Essential Functions)

Per the COOP's Essential Functions Table (page 8), the ORC auditor's responsibilities fall under **Financial Operations, Regulation Enforcement, and Incident Reporting**. This DRP section aligns recovery steps to ensure those essential functions remain operational.

9.1 During Multi-jurisdiction Audits

- Auditor maintains encrypted local copies in alignment with COOP directives on vital records.
- Remote access through DAS-hosted systems supports continued enforcement and financial oversight functions.

9.2 Travel Disruption Procedures

- Supports COOP emphasis on alternate locations (including mobile/remote).

9.3 Loss of Communication

- Aligns with COOP Section 6 Emergency Communication procedures.

9.1 During Multi-jurisdiction Audits

- Auditor maintains local encrypted copies of necessary documents
- VPN and M365 availability required for real-time updates

9.2 Travel Disruption Procedures

- Reschedule audits as appropriate
- Maintain communication with wagering company representatives

9.3 Loss of Communication

- Auditor contacts ORC leadership via:
 - Alternate phone
 - Hotel/airport communications
 - Email when restored

10. Recovery Procedures

10.1 Licensing Database Restoration

- DAS restores server and validates integrity
- ORC verifies:
 - License statuses
 - Recent transactions
 - Pending applications

10.2 Document Repository (Network Drives)

- DAS restores directories from backup
- ORC staff verify:
 - Access controls
 - File integrity
 - Missing items

10.3 Website Recovery

- Validate restored content
- Issue public update on status

10.4 Mobile and Workstation Recovery

- CTA issues replacements as needed
- Verify remote access, MFA, and email

11. Resumption of Normal Operations

- Leadership declares end of disaster period
- Teams return to normal procedures
- Incident report completed
- After-action review conducted within 10 business days

12. Testing, Training, and Maintenance

12.1 Annual Testing

- Licensing database recovery test (DAS-led)
- Remote work simulation
- Website restoration drill
- Table-top exercises

12.2 Training Requirements

- All employees complete annual DRP training
- IT partners included when appropriate

12.3 Document Maintenance

- Updated annually or upon major system change
- Managed by Commission leadership

13. COOP–DRP Crosswalk Alignment Table

This table maps each major section of the Disaster Recovery Plan (DRP) to the corresponding Continuity of Operations Plan (COOP) sections from the ORC COOP V3.4 (Revised May 27, 2025) [file](#) [cite](#) [turn](#) [file](#).

DRP Section	COOP Section	Alignment Summary
Purpose & Scope	COOP 1, 4	Ensures DRP supports COOP goals: continuity of essential functions, safety of employees, protection of assets.
Critical Partners	COOP 7, 8	Aligns vendor responsibilities with COOP disaster recovery and staffing structure.
Key Systems & Dependencies	COOP 7, 9	Mirrors COOP Essential Functions Table (e.g., licensing database, communication tools, regulatory systems).
Risk Assessment	COOP 1, 7	DRP hazards match COOP hazard assumptions including natural, tech, cyber, and operational disruptions.
DR Objectives (RTO/RPO)	COOP 9	Reflects COOP recovery time requirements for essential functions.
Disaster Response Procedures	COOP 6, 7, 11	Maps communication, loss of IT, loss of facility, loss of workforce, and activation processes.
Remote Work Disaster Procedures	COOP 7	Incorporates remote & alternate location procedures described under Loss of Facility and Loss of IT.
Auditor Continuity	COOP 9	Maps to enforcement, financial oversight, and incident reporting essential functions.
Recovery & Reconstitution	COOP 10, 12	Follows COOP guidelines for transitioning back to normal operations and devolution triggers.

14. Unified Activation → Continuity → Reconstitution Workflow

This workflow integrates COOP Sections 7–12 with the technical procedures in the DRP.

14.1 Activation (COOP Sections 6, 7, 11)

Triggered by:

- Loss of facility, power, IT/network, or workforce (COOP p. 5–7)
- Cyberattack affecting licensing database or shared drives
- Verizon or DAS statewide outage

Actions:

1. Leadership initiates communication via phone tree, Teams, and Outlook as available.
2. Executive Director activates DRP/COOP simultaneously.
3. Staff report status and resource needs.
4. Cascade Technology Alliance and DAS are contacted for IT triage.
5. Begin manual procedures for licensing, enforcement, or wagering if required.

14.2 Continuity Operations (COOP Sections 7 & 9)

Ensure ORC can maintain all **Mission Essential Functions (MEFs)** for up to 30 days.

Key continuity procedures:

- **Remote Work:** Staff relocate to safe home offices or DAS alternate sites (Grants Pass, Medford, Portland), consistent with COOP p. 5.
- **IT Recovery:** DAS restores servers, backups, and state systems; CTA restores workstations.
- **Communications:** Verizon mobile, Teams, and Everbridge used per COOP Section 6.
- **Manual Licensing:** Activated when database downtime exceeds 24 hours.
- **Wagering Oversight:** United Tote procedures followed for onsite disruptions.
- **Traveling Auditor:** Maintains regulatory continuity using encrypted local files and remote tools.

14.3 Reconstitution (COOP Section 10)

When primary systems, facilities, and leadership are restored:

1. ORC leadership issues formal reconstitution notice.
2. DAS assists with restoring any relocated hardware or servers.
3. Manual work is entered retroactively into digital systems.
4. Staff return to normal work locations or permanent remote offices.
5. ORC conducts an After-Action Review (AAR) and implements improvements.

15. Brand, Formatting, and Presentation Requirements (Per

12. Appendices

Appendix A: Executive Activation Checklist

1. Assess incident type (Loss of IT, Facility, Power, Workforce).
2. Activate COOP/DRP and notify leadership.
3. Initiate phone tree and Teams channels.
4. Confirm staff safety and availability.
5. Contact DAS, CTA, Verizon as applicable.
6. Authorize manual licensing if needed.
- 7.
8. Communicate with fair meets and wagering partners.

Appendix B: Licensing Outage Manual Procedure

- Switch to paper license forms.
- Verify identity via OSP background access if online.
- Issue temporary credentials valid until system restoration.
- Scan and store forms for later entry into Laserfiche.

Appendix C: IT Outage Runbook

- Step 1: Notify DAS Enterprise Helpdesk.
- Step 2: CTA triage workstation issues.
- Step 3: Verify VPN, M365, drives.
- Step 4: If >1 week outage, transition to full manual workflows.
- Step 5: Document downtime and restoration.

Appendix D: Race-Day Recovery Annex (Stewards & Veterinarians)

- Maintain radio and phone communication.

- If tote system down, hold racing temporarily.
- Ensure animal welfare monitoring continues manually.
- Document all regulatory actions.

Appendix E: Traveling Auditor Continuity Annex

- Maintain encrypted local copies of audit tools.
- Use hotel or airport internet if required.
- Notify ORC if communication lost >4 hours.
- Store completed audit work offline until upload possible.

Appendix F: Communication Templates

- Outage Notification
- Restoration Notice
- Public Advisory **
- Appendix A: Contact Directory
- Appendix B: Manual Licensing Procedure
- Appendix C: Critical Vendor SLA Summary
- Appendix D: Remote Work Resources
- Appendix E: DRP Activation Checklist

Oregon Racing Commission General Policies	
Title:	Conflict of Interest Policy
Policy Number:	2026-03-26
Applicability:	All Oregon Racing Commission staff, commissioners, contractors, and anyone affiliated with the commission for the purpose of accomplishing the state's business objective and processes.
Reference:	DAS Statewide Policy
Effective Date:	February 1, 2026
Approved:	Connie Winn , Executive Director

CONFLICT OF INTEREST POLICY

It is the policy of this organization that in the performance of work funded by Oregon Racing Commission (ORC) no officer, director, agent, or employee of the organization or of a subrecipient organization will create a potential or actual conflict of interest, as defined by ORS Chapter 244. A conflict of interest exists if, among other things, a decision or recommendation could affect the finances of this organization's or its subrecipient's officers, agents or employees or the finances of their officer's, agent's, or employees' relative. If a conflict of interest exists, this organization's or its subrecipient's officers, agents or employees must always give notice of the conflict, and in some situations the officer, agent or employee is restricted in their ability to participate in the matter that presents the conflict of interest. No employee of this organization or its subrecipients or other affiliated organization may carry out the initial evaluation required to obtain services for any person in which an actual or perceived conflict of interest does or would exist, unless in rare circumstances it is in the interest of the participant/licensee for the expediency of services and to create a seamless service delivery while keeping the participant/licensee engaged in services and such situation is documented in the participant file.

Persons for whom the conflict-of-interest requirements apply include any person who is an employee, agent, consultant, officer or elected or appointed official of this organization or its subrecipients. No person who exercises or has exercised any functions or responsibilities with respect to activities assisted under ORC funded programs, or who is in a position to participate in decision-making processes or gain inside information with regard to activities assisted under ORC-funded programs, can obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or

herself or for those with whom he or she has a family or business tie, during his or her tenure or during the one-year period following his or her tenure.

- 1) If a perceived, potential, or actual conflict of interest for employees or subrecipient/affiliated organizations exists the employee or subrecipient/affiliated organization will disclose, in writing, any potential or actual conflict of interest to the agency prior to any action or services being delivered.
- 2) A record of notification of perceived, potential, or actual conflicts of interest will be kept on file with agency in accordance with current retention schedule requirements.



OREGON RACING COMMISSION

2023 – 2025

Request for Remaining Racing Development Hub Grants

Revised: August 2023

Request for reallocation/amendment of previously approved hub funds

Name of requestor: HRA LLC / Red Lane Date of request: 12-22-2025

Please provide a detailed description of why the funds were not used and how your organization is requesting they be reallocated:

*Repairs on Jockey room come in under budget (\$9700.00)
HRA is requesting to reallocate those funds to repair the shed roof, stairs + shelves on the weight room + Nurses Station.

**HRA is also requesting to reallocate funds to repair the roof on 8 stalls in the paddock area.*

(see Estimate from Contractor)

For official use only:

Hub funds reallocation was approved _____ Denied _____ by the Oregon Racing Commission on Date: _____

Comments/notes:

Estimate for Grants Pass Downs From Jon Hulet

From: jr hulet <jr605@msn.com>
To: cubit1@earthlink.net <cubit1@earthlink.net>
Subject: Estimate for Grants Pass Downs From Jon Hulet
Date: Dec 12, 2025 10:04 PM

From Jon Hulet:

Estimate for work:

Reattach and repair shed roof discussed where connected to building
Repair shelf and stairs as deemed necessary

Repair rotten ends of beams on horse corral area
Attempt to raise center section and install rafters and sleepers to reattach metal
Repair damaged plywood to corral areas as needed
Paint as needed

Estimated cost 9800.00

Thank you
Jon Hulet

CCB198804

Phone 541 761 9589











