

**A-Engrossed**  
**Senate Bill 929**

Ordered by the Senate April 26  
Including Senate Amendments dated April 26

Sponsored by COMMITTEE ON JUDICIARY (at the request of Magna Entertainment Corporation, Multnomah Greyhound Park)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Prohibits Oregon Racing Commission from granting race meet license to applicant who is required to obtain recommendation of county or city governing body unless governing body recommends granting license. Prohibits licensee who obtained license through process that required recommendation of governing body from offering off-race course mutuel wagering unless certain conditions are met. Limits requirement for minimum number of live races to licensees that were required to obtain governing body recommendation for licensing. Eliminates Oregon State Fair and county fair exemption from governing body recommendation requirement.]*

*[Limits class of licensee that may apply for or receive license for conducting off-race course mutuel wagering. Changes percentage of mutuel wagering required to be distributed by certain race meet licensee to associations.]* **Modifies percentages of mutuel wagering required to be distributed by licensees of race meets for horses. Revises provisions relating to required number of horse and greyhound race days and to conduct of off-course mutuel wagering.** Eliminates prohibition on conducting off-race course mutuel wagering at times other than live race times.

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to racing; creating new provisions; amending ORS 462.062, 462.125, 462.700 and 462.710; and  
3 declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 462.062 is amended to read:

6 462.062. (1) All licensees of race meets for horses, except those subject to ORS 462.057, shall  
7 make payments as follows:

8 (a) **A** license fee [-] of \$100 per racing day[, payable] to the Oregon Racing Commission.

9 [(b) Percentage of gross mutuel wagering payable to the commission - one percent.]

10 **(b) One percent of gross mutuel wagering to the commission.**

11 (c) **A** percentage of gross mutuel wagering [for purses] **to a purse account**, in such amounts  
12 as the race meet licensee and the horse owners may agree upon, subject to approval by the com-  
13 mission. [In addition, a payment of 0.1 percent, which shall not become part of the regular purse ac-  
14 count, but shall be] **In addition to the amount paid to the regular purse account, 0.1 percent**  
15 **of gross mutuel wagering shall be paid into a separate account and** used only to supplement  
16 purses of races consisting exclusively of Oregon bred horses. However, subject to prior approval of  
17 the commission, a portion of the percentage of gross mutuel wagering designated by this paragraph  
18 may be paid to one or more associations of horsemen for operating expenses and other benefits for  
19 horsemen.

20 (d) [To the Oregon Thoroughbred Breeders Association, Incorporated, percentage] **Three-quarters**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

1 **of one percent** of gross mutuel wagering on thoroughbred horse races **to the Oregon**  
 2 **Thoroughbred Breeders Association, Incorporated**, for purse supplements for owners of Oregon  
 3 bred thoroughbred horses. **The association shall apportion the amount** [- *one percent, to be ap-*  
 4 *portioned*] among the owners in the same ratio that each owner's purses for Oregon bred  
 5 thoroughbred horses for the race meet bears to the total purses for Oregon bred thoroughbred  
 6 horses for the race meet.

7 (e) [*To the Racing Division of the Oregon Quarterhorse Association, Incorporated, percentage*]  
 8 **Three-quarters of one percent** of gross mutuel wagering on quarterhorse races **to the Racing**  
 9 **Division of the Oregon Quarterhorse Association, Incorporated**, for purse supplements for  
 10 owners of Oregon bred quarterhorses. **The association shall apportion the amount** [- *one percent,*  
 11 *to be apportioned*] among the owners in the same ratio that each owner's purses for Oregon bred  
 12 quarterhorses for the race meet bears to the total purses for Oregon bred quarterhorses for the race  
 13 meet.

14 (f) [*To each association of horsemen recognized by the commission as representing the other breeds*  
 15 *of horses not designated in paragraph (d) or (e) of this subsection, percentage*] **Three-quarters of one**  
 16 **percent** of gross mutuel wagering on races for any [*other*] breed of horses[,] not designated in par-  
 17 agraph (d) or (e) of this subsection[,] **to each horsemen's association recognized by the com-**  
 18 **mission as representing breeds of horses not designated in paragraph (d) or (e) of this**  
 19 **subsection**, for purse supplements of owners of other Oregon bred horses. **Each association shall**  
 20 **apportion the amount** [- *one percent, to be apportioned*] among the owners in the same ratio that  
 21 each owner's purses for other Oregon bred horses for the race meet bears to **the** total purses for  
 22 other Oregon bred horses for the race meet.

23 (g) [*Percentage*] **Two-tenths of one percent** of gross mutuel wagering to a special track fund  
 24 of the type, and for the uses and purposes, and subject to the conditions set forth in ORS 462.057  
 25 (1)(c)(F) [- *0.2 percent*].

26 (2) Subject to prior approval of the commission, each horsemen's association designated in sub-  
 27 section (1)(d), (e) and (f) of this section may use a portion of the purse supplements [*as*] **for** operating  
 28 [*expenses only for receipt, handling and payment of these funds.*] **expenses and other benefits for**  
 29 **horsemen.**

30 **SECTION 2.** ORS 462.125 is amended to read:

31 462.125. (1) The Oregon Racing Commission shall determine the number and classes of race  
 32 meets to be held in any fiscal year, and the total number of racing dates to be granted to a licensee  
 33 subject to provisions of ORS 462.062 and 462.067. Not more than 350 days of racing, exclusive of  
 34 racing days authorized to designated licensees pursuant to subsections (5) and (6) of this section,  
 35 shall be held in any metropolitan area in any fiscal year. [*The commission may not grant a racing*  
 36 *date that would cause greyhound racing conducted by licensees under ORS 462.067 to occur within the*  
 37 *state in more than seven months of a calendar year. At least nine live races must occur on 40 percent*  
 38 *of all days on which the commission authorizes pari-mutuel wagering for horse races, or on 80 days,*  
 39 *whichever is greater.*] **A licensee shall conduct at least 720 live races under the license during**  
 40 **each fiscal year race meets are held under the license. The commission may reduce the**  
 41 **number of races required under this section upon application by a horsemen's association**  
 42 **that negotiates with the race meet licensee.**

43 (2) If a licensee **under ORS 462.062 or 462.067** fails, for good cause, to complete all of the al-  
 44 located days in a licensed race meet or if the commission does not receive and approve license ap-  
 45 plications for all of the days allocated to either class of racing, the commission may add the unused

1 or unallocated days no later than June 30 of the following fiscal year, to the racing days allocated  
 2 to and available to the licensee or, in the discretion of the commission, to any other licensee of ei-  
 3 ther class of racing in the metropolitan area. Additional race days allocated under this subsection  
 4 are exempt from the limit of 350 days of racing in a fiscal year imposed by subsection (1) of this  
 5 section. *[, but are subject to the limit imposed by that subsection on the number of months during a*  
 6 *calendar year in which the commission may grant dates for greyhound racing.]* The additional racing  
 7 days granted by the commission to any eligible licensee may not exceed the total of the unused or  
 8 unallocated racing days in any one fiscal year.

9 (3) If an emergency occurs on the day of racing, and a night racing program runs past the hour  
 10 of midnight, such time after midnight is not considered an additional racing day.

11 (4) As used in subsections (1) and (2) of this section, "metropolitan area" means:

12 (a) Multnomah, Clackamas and Washington Counties.

13 (b) Marion and Polk Counties.

14 (c) Linn and Benton Counties.

15 (d) A county other than those designated in paragraphs (a), (b) and (c) of this subsection.

16 (5) Each licensee designated in ORS 462.057 may be granted up to 12 days of horse, mule or  
 17 greyhound racing to be held within the county in which the licensee holds its fair or show or at a  
 18 race course owned by a governmental agency or a nonprofit corporation in an adjoining county. If  
 19 a licensee does not use all of the licensee's allocated race days during the fiscal year, the commis-  
 20 sion, in the commission's discretion, may allow that licensee to use the leftover days in the next  
 21 fiscal year. If a licensee referred to in this subsection wishes to make application to the commission  
 22 to schedule racing days that conflict with racing days previously scheduled by another such  
 23 licensee, at least 30 days prior to the date of a meeting of the commission, the governing bodies of  
 24 the applicant and the previous licensee shall meet at a time and place prescribed by the previous  
 25 licensee to discuss the applicant's proposed racing day schedule. The conclusion of the parties re-  
 26 garding the proposals for conflicting racing days and the matters upon which the parties agree or  
 27 disagree shall be reduced to writing signed by the parties and submitted to the commission not later  
 28 than 14 days prior to a meeting of the commission. The commission may approve or disapprove  
 29 proposals for conflicting racing days upon such terms and conditions as the commission considers  
 30 appropriate.

31 (6) The Oregon State Fair may be granted up to 65 days of racing to be held at the state  
 32 fairgrounds. Such racing shall be sponsored by the Oregon State Fair and the net licensee income  
 33 of the meet shall be used only for Oregon State Fair programs or capital improvements. The com-  
 34 mission shall schedule days of racing for the Oregon State Fair in a manner that avoids conflict  
 35 with other race meets previously licensed under ORS 462.057. The Oregon State Fair shall make  
 36 payments as specified in ORS 462.057 (1).

37 (7) The commission may not grant a license for any race meet within a county for dates that  
 38 conflict with racing dates granted to the county fair of such county.

39 (8) The commission may not grant a licensee that is subject to ORS 462.062 a license for a race  
 40 meet for a date that conflicts with a race meet date granted to a licensee that is subject to ORS  
 41 462.057, unless the commission has the consent of the licensee that is subject to ORS 462.057. This  
 42 subsection applies only if the licensee that is subject to ORS 462.057 held a race meet during the  
 43 2002 calendar year on a date substantially similar to the date that is the subject of the conflict. A  
 44 licensee that is subject to ORS 462.057 may not unreasonably withhold consent under this sub-  
 45 section.

1        **SECTION 3.** ORS 462.700 is amended to read:

2        462.700. In addition to mutuel wagering authorized by this chapter to be conducted upon the  
3 premises of a race course, **a race meet licensee may conduct** off-race course mutuel wagering  
4 [*may also be conducted*] in accordance with ORS 462.700 to 462.740 and [*the rules adopted pursuant*  
5 *thereto*] **Oregon Racing Commission rules.**

6        **SECTION 4.** ORS 462.710 is amended to read:

7        462.710. (1) Any race meet licensee may make written application to the Oregon Racing Com-  
8 mission [*for the conduct of*] **to conduct** off-race course mutuel wagering:

9            (a) On races held at the licensee's race course; or

10          (b) On races held at race courses outside this state.

11          (2) The application shall be in such form, shall contain such information and shall be submitted  
12 at such time and in such manner as the commission may require. Information required by the com-  
13 mission may include, but is not limited to, a description of the facilities, equipment and method of  
14 operation whereby the applicant proposes to conduct off-race course mutuel wagering activities.

15          (3) The commission shall authorize off-race course mutuel wagering upon such terms and con-  
16 ditions regarding the time, location and manner of operation as the commission considers appropri-  
17 ate. The commission [*shall*] **may** not authorize more than 20 locations for off-race course mutuel  
18 wagering to be in operation at any one time and shall permit off-race course mutuel wagering only  
19 at an authorized location. The commission [*shall*] **may** not authorize the conduct of off-race course  
20 mutuel wagering at any time or place or in any manner [*which*] **that** the commission determines  
21 would have substantial adverse impact upon mutuel wagering on races held at a race course in this  
22 state. The commission [*shall*] **may** not authorize a race meet licensee to conduct off-race course  
23 mutuel wagering within the boundaries of any city or county that has adopted an ordinance pro-  
24 hibiting the conduct of that activity within the city or county. The commission [*shall*] **may** not au-  
25 thorize a race meet licensee to conduct off-race course mutuel wagering in any county with a  
26 population of less than 250,000 at a location that is within 40 miles of any other location where  
27 another race meet licensee is conducting a live race meet without written consent of the live race  
28 meet licensee.

29          (4) In addition to other grounds provided in this chapter, the commission may refuse to issue  
30 or renew or may revoke or suspend the license of any race meet licensee, or any employee thereof,  
31 for failure to comply with ORS 462.700 to 462.740[, *or the rules adopted pursuant thereto*] **or com-**  
32 **mission rules.**

33          (5) If a race meet licensee proposes to conduct off-race course mutuel wagering at a physical  
34 facility separate from the race course:

35            (a) Individuals working at the separate facility must obtain a license for such employment from  
36 the commission if the individuals are performing duties for which a license would be required if the  
37 duties were performed at a race course. The fee for any such license shall be the same as the fee  
38 for the license required if the individual were working at a race course.

39            (b) ORS 462.080, 462.190 and 462.195 apply to the race meet licensee and to individuals at the  
40 facility in the same manner as if the mutuel wagering activity were being conducted at a race  
41 course.

42          (6) In addition to other requirements of ORS 462.700 to 462.740, the commission may authorize  
43 a race meet licensee to conduct off-race course mutuel wagering on a particular race that is held  
44 at a race course outside this state subject to the following conditions:

45            (a) The commission may authorize only one [*such*] race meet licensee, that is the holder of a li-

1 cense under ORS 462.062 or 462.067, to conduct off-race course mutuel wagering on the race.

2 [(b) *The commission may authorize off-race course mutuel wagering only during that time when the*  
3 *licensee is authorized to conduct mutuel wagering on races at the licensee's race course.*]

4 [(c)] (b) The commission may authorize such off-race course mutuel wagering to be conducted  
5 at the licensee's race course and any off-race course wagering site approved by the commission.

6 [(d)] (c) The commission may authorize a race meet licensee to conduct off-race course mutuel  
7 wagering on either horse races or greyhound races[.], **except that:**

8 **(A) A horse race meet licensee may conduct off-race course mutuel wagering on**  
9 **greyhound races only if there is no active greyhound race meet licensee; and**

10 **(B) A greyhound race meet licensee may conduct off-race course mutuel wagering on**  
11 **horse races only if there is no active horse race meet licensee.**

12 [(e)] (d) If a licensee applies for authority to conduct mutuel wagering on horse races held at  
13 race courses outside this state, the commission may require that the licensee provide such evidence  
14 as the commission considers appropriate regarding the ability of the licensee to comply with the  
15 Interstate Horseracing Act of 1978, 15 U.S.C. 3001 to 3007, as amended.

16 **SECTION 5. (1) The requirement in ORS 462.125 that a licensee conduct at least 720 live**  
17 **races during a fiscal year applies to fiscal years beginning on or after the effective date of**  
18 **this 2005 Act.**

19 **(2) The amendments to ORS 462.062 by section 1 of this 2005 Act apply to mutuel**  
20 **wagering occurring on or after the effective date of this 2005 Act.**

21 **(3) The amendments to ORS 462.700 and 462.710 by sections 3 and 4 of this 2005 Act apply**  
22 **to the conducting of off-race course mutuel wagering on or after the effective date of this**  
23 **2005 Act.**

24 **SECTION 6. This 2005 Act being necessary for the immediate preservation of the public**  
25 **peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect**  
26 **on its passage.**

27