

# MINUTES

## OREGON RACING COMMISSION March 16, 2006

The Oregon Racing Commission met on Thursday, March 16, 2006, at 1:30 p.m. in Room 140, 800 NE Oregon Street, Portland, OR. Commissioners in attendance were Chair Jeff Gilmour, Lisa Metcalf, Vice Chair Todd Thorne and Julianne Davis. The governor has not yet appointed an individual for the vacant commissioner position.

Agenda items were discussed in the following order with resulting actions:

### 1. Approval of February 16, 2006 Minutes

ACTION: MOTION (Thorne) Approve minutes as submitted.

VOTE: 4 Aye, 0 Nay

### 2. Portland Meadows Update Report

Dwayne Yuzik, General Manager, Portland Meadows, and Jerry Kohls, Racing Secretary, were present to answer questions. Information and discussions included the following:

- a. Statistical information was unavailable for the meeting due to computer issues.
- b. Currently, there are 675 horses stabled on the grounds, which is 75 more than last year at this time. Average field size is 7.35 as compared to last year that was 7.75.
- c. Track Committee meeting last Friday; no issues to report.
- d. Monday, March 13<sup>th</sup> reported the highest mutuel handle of the meet with \$858,000. This Saturday will be a stakes double header with the McFadden Memorial and the Governor's Speed Handicap. Also coming up is the Portland Meadows Mile on April 8<sup>th</sup>, the Quarter Horse Derby Finals on March 26<sup>th</sup> and the Professional Choice Challenge Finals on April 2<sup>nd</sup>. The last day of racing at Portland Meadows is May 7<sup>th</sup>.
- e. Portland Meadows is continuing their effort to make up for race days lost during inclement weather by running 10 race cards at every opportunity. The objective is to have a total of 720 races this year.

### 3. Jockey Insurance Update

Chair Gilmour announced that the Commission will provide financial assistance for the Jockey Insurance as initially proposed at the last meeting, but that the money will not be taken from the hub funds allocated for the purse supplements and the Jockey Incentive Program. Instead, the Commission will provide its portion from other *unallocated* Hub funds, which is possible due to an un-projected increase in hub revenue. The Commission will maintain the purse supplement of \$2,000 per race and the Jockey Incentive Program of \$35,000.

Jodi Hanson, Executive Director, thanked all of the Hub representatives and expressed how important their contributions are to live racing in Oregon.

Dick Cartney added his appreciation for the benefits that live racing receives from the Hubs operating in Oregon.

Rod Lowe, Southern Oregon Horse Racing Association and Grants Pass Downs, thanked the Commission for its assistance with the Jockey Insurance. He explained that the AQHA is still working to try to put together a group policy for the jockeys that would reduce the insurance premium, adding that there are over 90 tracks involved. He stated that he did not expect them to be able to come up with a new policy for this year, but was hopeful they would for next year.

Commissioner Gilmour reiterated that the jockey insurance issue would have to be revisited in the future as this proposed financing was for this season only. He stated that the issue was a national problem, not just an Oregon problem and extended his appreciation to the group, County Commissioners especially, who worked together to come up with a solution for this year so that live racing could continue in Oregon.

ACTION: MOTION (Thorne) Approve the Commission's portion of the Jockey Insurance to come from unallocated Hub funds and *not* from the Hub funds previously allocated for the purse supplements and the Jockey Incentive Program.

VOTE: 4 Aye, 0 Nay

**4. Youbet.com, Inc. Operating Plan Amendment - (continued from 02/16/06)**

Lonny Powell, Vice President of Public Affairs for Youbet.com, was present to answer questions regarding the modified operating plan amendment submitted to the Commission. He explained the difference between this plan and the plan submitted for approval at the last meeting was that the live operators would now be based here in the greater Portland area. The live operators would be in the same facility as the new tote hub for IRG, adding that they would be able to hire Oregonians and planned to start out with two live operators and a supervisor with the potential plan of having up to four live operators.

Jodi Hanson, Executive Director, recommended that the Commission approve the amendment.

ACTION: MOTION (Thorne) Approve Youbet.com, Inc. Operating Plan Amendment with the call center located in Oregon.

VOTE: 4 Aye, 0 Nay

**5. Confirmation of Next Commission Meeting – April 20, 2006**

Commissioner Metcalf stated she would not be present for the meeting, but all others present would be able to attend.

Chair Gilmour announced that the Governor had appointed an individual for the vacant commissioner position and that the confirmation would take place on April 6<sup>th</sup>. Therefore, he expected the new Commissioner to also be present at the next meeting.

**6. Public Comment**

Chair Gilmour asked Vice Chair Thorne to start the public comment by providing an update on the activities and meeting schedule of the Rules Sub-committee.

⇒ Vice Chair Thorne stated that the next Rules Sub-committee meeting would be held at 10:30 a.m. on April 20, 2006. He explained that he had learned a great deal at the first meeting and hoped to have a better idea of what the sub-committee agenda would be in the future.

Commissioner Davis thanked everyone who took the time to participate and after the terrific discussion at the first meeting was also hopeful that they would be able to formulate some ideas for the next meeting.

⇒ Roger Nyquist asked for clarification about whether the Hub operators would be making application under the current rules.

Vice Chair Thorne responded that while new rules may not be in place, the review of the applications may be more stringent. He provided, as an example, that they would pay particular attention to the location of the call centers and that they be in the state of Oregon. He added that with a little time, additional guidance could be given to the applicants pending the formal rules.

Commissioner Davis asked for each applicant to explain their operating plan as explicit as possible to assist the Commission.

Chair Gilmour stated history has shown that applications are submitted with two or three items not resolved. For example, proof of bonding and source marketing agreements are not provided in the application. He suggested that, if a license is granted based on the fact that information is forthcoming, there should be some guidelines or something to encourage the applicant to submit that information within 30 days or, the license would become invalid.

⇒ Dick Cartney asked for the status of the medication rules review and update. He stated that about 30 states have already adopted uniform rules established by the Racing Medication and Testing Consortium and that Oregon was falling behind.

Commissioner Metcalf explained the committee had a rough draft of the new medication rules and anticipated that they would be ready to be discussed at the next meeting.

Chair Gilmour announced that he would add sub-committee reports to each meeting agenda in the future.

There being no further business, the meeting was adjourned.