



MINUTES

Oregon Racing Commission May 15, 2014

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, May 15, 2014 in Room 1A of the Portland State Office Building (PSOB) located at 800 NE Oregon Street, Portland, Oregon

Call to Order

Commission Chair, Chris Dudley, called the meeting to order at 1:37pm

In Attendance

Commissioners: Chair Chris Dudley, Vice-Chair Charles Williamson, Commissioner Jan Palmer, DVM and Commissioner Michael Huber, DVM

Staff

Jack McGrail, Executive Director and Kelly Gabliks, Assistant Attorney General

Excused

Commissioner Angel Baez

AGENDA ITEMS

Approvals:

May 15, 2014 Meeting Agenda

Action: Motion to approve the agenda with one change to move new business ahead of old business.

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Michael Huber, DVM

Vote: Chair Dudley took roll and the results were unanimous with 4 Ayes, 0 Nays

April 17, 2014 Meeting Minutes

Action: Motion to approve the April 17, 2014 Commission meeting minutes as submitted.

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Jan Palmer, DVM

Vote: Chair Dudley took roll and the results were unanimous 3 Ayes, 0 Nays

Commissioner Huber abstained from voting due to being absent from the April 17th meeting

New Business:

**Request for Advance Deposit Wagering License Renewal:
XpressBet, LLC**

ORC Executive Director Jack McGrail stated that he reviewed the application packet submitted by XpressBet who has applied for license renewal. Director McGrail stated that he verified all information submitted and recommended the application for approval. Gene Chabrier, Director of Regulatory Affairs for XpressBet was in attendance to present the license application for XpressBet. Commission Vice-Chair Williamson went through the review process of asking the questions from the Advance Deposit Wagering License Application Due Diligence Check List. Mr. Chabrier answered the questions asked by Vice-Chair Williamson from the checklist.

Action: Motion to approve XpressBet, LLC for license renewal.

Moved by: Commission Vice-Chair Williamson

Seconded by: Commissioner Jan Palmer, DVM

Vote: Chair Dudley took roll and the results were unanimous 4 Ayes, 0 Nays

Request for Totalizator License Renewal:

Sportech

ORC Mutuels Auditor Josh Dieringer stated that he reviewed the application packet submitted by Sportech who has applied for license renewal. Mr. Dieringer stated that he verified all information submitted and recommended the application for approval. Tom Kelso, Manager of Sales and Business Development for Sportech was in attendance to represent Sportech. Commission Vice-Chair Williamson went through the review process of asking the questions from the Totalizator License Application Due Diligence Check List. Mr. Kelso answered the questions asked by Vice-Chair Williamson from the checklist.

Action: Motion to approve Sportech for license renewal.

Moved by: Commission Vice-Chair Williamson

Seconded by: Commissioner Jan Palmer, DVM

Vote: Chair Dudley took roll and the results were unanimous 4 Ayes, 0 Nays

Old Business:

Sub-Committee Update Reports:

a. Advanced Deposit Wagering (ADW) and Multi-Jurisdictional Hubs

No Report

b. Best Practices

Commission Chair Dudley stated that he and Director McGrail attended training for non-profits and Commissions. The training was conducted by the State of Oregon and was held in the Portland State Office Building (PSOB). Chair Dudley stated that he had

Director McGrail send two emails to the Commissioners containing documents with information from that meeting.

c. Budget and Hub Funds

No Report

d. Medication and Horse Welfare

Commissioner Huber stated that the group met this month. The only agenda item was to have continued discussion regarding the Uniform Medication Safety Program. He stated that it is a multi-faceted and complex program and the group discussed it at length. He stated that no decisions have been made and the group is not ready to make a recommendation to the Commission at this time. He stated that there will be one or more meetings with stakeholders regarding the policies of the program before recommendations are made.

e. Executive Director's Report

ORC Executive Director, Jack McGrail stated that two Legislative Concepts were submitted to the Legislative Counsel. The first concept proposal is to allow the agency to impose a refundable \$50.00 filing fee for all appeals resulting from Steward's rulings. It would also authorize the imposition of costs against the appellant who does not show up for the hearing without cause or it is deemed a wholly frivolous appeal. He stated that approximately 60% of the appellants do not show up for their hearing. This small refundable fee we hope will put a stop to the frivolous appeals while allowing those with legitimate grievances to continue their appeal process. There will also be a mechanism in place for those who have a legitimate grievance who can't afford the fee to continue with an appeal.

Director McGrail stated that the second concept is the proposal to allow the ORC retain the funds generated by the industry that we currently move to the General Fund. If this is approved the ORC will use and distribute these funds in the same way that we currently do with the portion of funds we keep.

Director McGrail stated that the summer race meets are about to start and will begin with the Eastern Oregon Livestock Show (EOLS) in Union. He stated that the ORC's Presiding Steward Martin Hamilton has taken the lead on acquiring the helmets and vests. He stated that he appreciated the hard work that Mr. Hamilton and Deputy Steward Mike Twiggs have done to prepare for the fairs.

Director McGrail commented on Commissioner Huber's report stating that the ORC will proceed deliberately with respect to implementing the medication reforms. He stated that there is merit to them and the ORC will conduct several meetings in order to allow all interested parties enough opportunity to be heard. He stated that he encourages all interested parties to participate.

Director McGrail stated that pari-mutuels are down 11%. He stated that everyone in our industry feels the impact of it. He stated that the bad weather that caused so many cancellations in other areas may be to blame.

Director McGrail stated that the ADW sub-committee will be considering some new rules concerning single member sub-chapter S Corporations that would allow them to become account holders similar to LLCs.

Director McGrail reported that the medication sub-committee will be reviewing the current rule around claiming and some possible changes or modifications to that rule.

Vice-Chair Williamson asked Director McGrail what the status is for Portland Meadows (PM) race dates. Director McGrail stated that PM has not requested dates for the 2014-2015 race meet yet.

f. Future of Racing in Oregon Group (FROG) update

Commissioner Palmer stated that the group met on Thursday May 8, 2014. She stated that Randy Evers, Executive Director of the Oregon Horsemen's Benevolent and Protective Association (OHBPA) introduced an idea for development of an organized after care program for x-race horses.

g. Revisit Decision to Hold ORC Meeting in Burns, OR

Chair Dudley stated that he requested staff to do a cost comparison on what the expenses are to hold a meeting in Burns versus here at the PSOB. He stated that a meeting held at the PSOB costs the Agency approximately \$950.00. A meeting held in Burns would cost a little more than \$6,000.00. He stated that in consideration of the budget he would like to have discussion as to whether this is good use of funds.

Commissioner Palmer asked if the cost reflects all of the Commissioners going and would everyone be able to go?

Commission Vice-Chair Williamson stated that he would not be able to go. He stated that he felt it is a lot to spend when there are current budget concerns.

Commissioner Huber stated that it is almost \$3,000.00 to have the agency's attorney go and be present. He stated that if her presence is not required, that maybe we cut that expense.

Vice-Chair Williamson suggested requesting that our attorney attend by phone.

Commissioner Huber stated that he would support having the attorney attend by phone.

Chair Dudley asked everyone to think it over and be ready to make a decision at the next ORC meeting.

Information, Materials and Approvals:

None

Contested Cases:

None

Other Business As May Properly Come Before the Commission:

None

Public Comment:

BJ Cosson, Vice President Operations & Customer Relations for TVG asked what the hiring status is for the Advance Deposit Wagering Manager position. Director McGrail stated that he has three candidates that he plans to interview. He stated that he may have the position reposted. He stated that this position is very important to the agency and is carefully making decisions for it.

Confirmation of the Next Commission Meeting:

The next ORC meeting will be Thursday, June 19, 2014, at 1:30pm in Room 1A of the Portland State Office Building located at 800 NE Oregon Street, Portland, OR 97232

Adjournment:

Action: There being no further business, the meeting was adjourned at 2:20pm

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Michael Huber, DVM

Vote: Chair Dudley took roll and the results were unanimous with 4 Ayes, 0 Nays