

# MINUTES

## OREGON RACING COMMISSION APRIL 25, 1997

The Oregon Racing Commission met on Friday, April 25, 1997, at 1:30 p.m. for their regular meeting in Cascade Hall at the Oregon State Fairgrounds in Salem, Oregon. Commissioners in attendance were as follows: Stephen Walters, Chair; Laura Fine, Vice Chair; George Rankins, Richard Reid and Tom Towslee. Prior to the start of the meeting, Chair Walters thanked Rusty Vernon and the staff at the Oregon State Fair for responding to our request to have the meeting at their facility. Agenda items were discussed in the following order with resulting actions:

### 1. Minutes of March 21, 1997, Commission Meeting

ACTION: MOTION(Rankins) Approve minutes as amended.

VOTE: 5 Aye, 0 Nay

### 2. Requests by Darrell and Vicki Lee - *continued from 3/21/97*

#### a. Cancellation of Existing Exclusion Orders

#### b. Reinstatement of ORC Licenses

Tom Towslee made some comments regarding the history of Darrell Lee's involvement with New Portland Meadows, and stated Mr. Lee has had some creative ideas about horse racing at Portland Meadows and in the state of Oregon. Commissioner Towslee concluded, however, he could see no basis on which to grant Mr. and Mrs. Lee's requests to cancel the existing exclusion orders and reinstate their ORC licenses. Other commissioners made similar comments in concurrence with Commissioner Towslee's remarks.

ACTION: MOTION(Reid) Request by Darrell and Vicki Lee to cancel the exclusions and reinstate their licenses be denied.

VOTE: 5 Aye, 0 Nay

### 3. Request by Brian Turner for Reinstatement of License

Mr. Turner came before the Commission and stated his reasons for wanting to have his license reinstated. While he has not completed a drug rehab program, he has not been a user for two years. Mr. Turner also reported he does have an appointment the first part of May with a drug counselor with Clackamas County. Steve Barham recommended the Commission place this request on the May 15th meeting agenda. This would allow the Commission to see how the counselling session goes and would provide them with better information on which to make a decision on this request. It was the consensus of the Commission to place this item on the May 15, 1997, meeting agenda.

### 4. New Portland Meadows

**a. Update**

Mike Dorough reported the 1996-97 season will come out about even with where they were last year. He thanked the Commission, staff and patrons for all their efforts. The total handle is down about 1%, the live handle is down 14%, horse simulcast is down 1% and greyhound simulcast is up about 10%. Will be working at continuing to increase the export of their signal for the 1997-98 race meet. Commissioner Rankins raised question regarding the downward trend in the live racing. Mr. Dorough responded by saying the growth has clearly been in simulcast. Chair Walters requested Mr. Dorough provide at either the May or June meeting an end of meet report.

**b. 1997-98 Race Meet Application**

Race dates being requested were October 15, 1997, through May 17, 1998. Ownership situation still of great concern to the Commission in granting NPM a race meet license. Chair Walters stated David Brown has provided a letter laying out the status of the legal issues of NPM, and that for the present purpose on a one-year basis the letter gives him the comfort he would need to approve the race dates request for 1997-98, but not through May 17, 1998. During discussion it was stated the Commission would be agreeable to a 6½ month window which would have the meet ending on April 26, 1998. This would provide 80 days of racing instead of 86 as indicated in the initial request.

ACTION: MOTION(Reid)

Approve race dates request as modified to commence October 14, 1997, and end April 26, 1998, subject to approval by the Commission of a completed race meet application.

VOTE:

5 Aye, 0 Nay

**5. Legislative Update**

Steve Barham reported the ORC budget bill went through Ways and Means Committee, and will be on the floor of the House of Representatives at some point.

HB 2104: There have been three amendments to the bill: (a) to authorize the Pine Valley fair meeting; (b) Prohibition of 12 year olds after 6:00 p.m. to be put back in; and (c) to allow account wagering in the state submitted by NPM and MGP. It was the consensus of the Commission to support the amendment regarding account wagering.

Steve Barham went through the concept of proposed revised statute 462 which was the result of a meeting with Rep. Eldon Johnson. The revision eliminates almost all of the language in 462.125, and 462.710(6) would be taken out completely. Mr. Barham recommended that the Commission direct the executive director to provide Rep. Johnson with a copy of this proposed revision and support such a change whether or not this would get through the current session of the legislature. Chair Walters asked for comments from those in attendance, to which Glen Knickerbocker, LOR; Rusty Vernon, OSF; David Brown, NPM; David Nelson, Mike Dewey and George Julian responded. The general response was to support moving forward on this proposed revision, however, one individual felt the Commission should wait and not take action at this time. Chair Walters stated this bill would not enact any particular vision but it would take out

some of the restrictive parts of the current statute. Question was raised as to whether or not this proposed action would affect any of the current funding bills, to which the answer was no.

ACTION: MOTION(Towslee) Give the draft of proposed revised statute 462 to Rep. Johnson.  
VOTE: 4 Aye, 0 Nay, 1 Abstention(Fine)

#### **6. Report from Oregon State Fair**

Rusty Vernon reported the invitation to bid closes May 2, and he would like the Commission to determine a time when they can conduct a telephone conference call to approve dates for the operator that is awarded the bid. It was decided the next meeting, which is May 15th, will provide enough time for the operator to do the necessary planning to run the race meet at the Oregon State Fairgrounds.

#### **7. Approval of Proposed Order for Peter Yarbrough**

ACTION: MOTION(Fine) Adopt findings and accept Proposed Order as Final Order.  
VOTE: 5 Aye, 0 Nay

#### **8. Request by Mark Boag for Revision of Final Order**

Mr. Boag explained his reasons for requesting revision of the Final Order. In response, Chair Walters stated he had had precisely this same conversation with Mr. Boag before, and he felt there was no basis for any revision of the Order.

ACTION: MOTION(Towslee) Deny request.  
VOTE: 5 Aye, 0 Nay

#### **9. RCI Membership**

George Rankins presented a report of the RCI meeting in Boston. As a result of the many indications that the organization is not financially responsible, he recommended that Oregon not pay its membership dues. Steve Barham reported there is an alternative organization being formed, and it appears to be one that will better meet the needs of members and will be more cost effective. Once that organization gets established, he will probably be coming back to the Commission with a recommendation to join.

#### **10. Approval of Exclusion Order Requested by Patron Dale R. Randant**

Steve Barham reported Mr. Randant had written a letter asking our assistance in helping him deal with his gambling addiction problem. The end result was issuing an Exclusion Order written by Paul Sundermier excluding Mr. Randant from all race tracks, off track wagering facilities and any other areas under the jurisdiction of the Oregon Racing Commission. Mr. Barham recommended approval.

ACTION: MOTION(Towslee) Adopt Exclusion Order  
VOTE: 4 Aye, 1 Nay(Reid)

#### **11. Revised Lottery Allocation**

The Commission at the December meeting approved the allocation of lottery funds for the 1997 season. At that time there was information that the dollar amount might be slightly higher, however, it was decided not to make any changes at that time. It has now been determined there is an additional \$6,050 allocated to the Racing Commission. Steve Barham

recommended this amount be spread on the same pro rata as prior distributions.

ACTION: MOTION(Rankins) Approve distribution of the funds.  
VOTE: 5 Aye, 0 Nay

**12. Action on Petition Filed by Lone Oak Racing and The HBPA to Repeal OAR 462-050-385**

Steve Barham summarized the history of the petition to repeal the rule dealing with approval criteria of the Commission for authorizing receiving tracks. He stated the Commission has in hand what has come to be known as the *Barham Draft*. In addition, the Advisory Committee has requested that decision on the matter be postponed until we see what action the legislature will be taking on some of the bills before them this session. Ursula Gibbons, chair of the Advisory Committee, said they had formed a new group called the Oregon Council on Racing which will continue work started by the Advisory Committee and will address important issues affecting the industry. Chair Walters thanked the Advisory Committee for their involvement in this process. Mr. Barham stated his recommendation continues to be the adoption of the *Barham Draft*, adding that he doesn't see anything in the draft that keeps anything from happening.

Chair Walters stated the Commission is very close to being legally obligated to make a decision today on this petition. There appears to be three options from which to choose:

- (a) Adopt the *Barham Draft*
- (b) Repeal the existing rule altogether and judge simulcasting on an ad hoc basis
- (c) Do not repeal the rule

ACTION: MOTION(Fine)

Discussion followed on strengths and weaknesses of each option. Repeal the rule in its entirety effective today, April 25, 1997, with the exception of the 1% portion of the rule which would be effective retroactively on October 1, 1996.

VOTE:

5 Aye, 0 Nay

Following the vote, Chair Walters stated the Commission could develop another rule after the end of the legislative session.

There being no further business, the meeting was adjourned.