

# MINUTES

## OREGON RACING COMMISSION AUGUST 20, 1998

The Oregon Racing Commission met on Thursday, August 20, 1998, at 1:30 p.m. in Room 140 of the Portland State Office Building located at 800 N. E. Oregon Street, Portland, Oregon. For the majority of the meeting commissioners in attendance were as follows: Stephen Walters, Chair; Richard Reid, Tom Towslee and Baltazar Ortiz. Vice Chair Laura Fine arrived at approximately 3:00 p.m. Agenda items were discussed in the following order with resulting actions:

### 1. Minutes of the July 16, 1998 Commission Meeting

ACTION: MOTION(Reid) Approve minutes as corrected.  
VOTE: 4 Aye, 0 Nay, 1 Excused

### 2. Minutes of the July 30, 1998, Telephone Conference Meeting

ACTION: MOTION(Towslee) Approve minutes as submitted.  
VOTE: 4 Aye, 0 Nay, 1 Excused

### 3. New Portland Meadows 1998-1999 Race Meet Application

Mike Dorough and Woody Mitchell presented the race meet application, stating the biggest change is that they will be changing the live race days from Friday, Saturday and Sunday to Thursday, Friday and Saturday. The decision to make this change was for the purpose of increasing the size of their pools. In trying to determine what their strengths and weaknesses were, they found many of the customers were interested in more night racing. They are not happy with the status quo and feel they need to try something new. With that in mind, they are wanting to try out the new days of racing, and stated they would be back before the commission again if they determined it wasn't working. Steve Barham stated making this change would probably create some financial tradeoffs, and he proceeded to go through the figures. Mike Dorough also stated for the 1998-99 season they would like to add the superfecta wager, will eliminate parking and admission charges, are going to be very dedicated to the off-tracks and will focus on Saturdays for family events. Bottom purses will be the same as last year.

ACTION: MOTION(Reid) Approve 1998-99 race meet application as submitted and delegate to the executive director the authority to approve the bond amount, which will be \$265,000, import and export of simulcast programs, off-track sites and race meet officials.

VOTE: 4 Aye, 0 Nay, 1 Excused  
Steve Walters noted that as in years past the approval of this application did not include a long list of conditions due to the resolution of the ownership of The New Portland Meadows.

### 4. Oregon State Fair Update

Cliff Lewis reported they just concluded their first weekend of racing, August 15th and 16th. They are having good success in filling all the races, averaging about 450 horses in the barns and they had 11 races both days. There has been some concern about vesticular stomatitis being spread. Mr. Lewis stated they are monitoring very closely all show horses entering the fairgrounds for the state fair to help to insure the health of all horses participating in events during the fair. The live handles for Saturday and Sunday were \$43,000 and \$42,000, respectively, and the simulcast handles were \$20,000 for both days. The total handles were \$63,000 and \$62,000 respectively.

#### **5. Approval of Grants Pass 1999 Race Dates**

Steve Barham recommended approval of the requested race dates of May 22, 23, 29-31; June 5, 6, 12, 13, 18-20, 25-27; July 2-4.

ACTION: MOTION(Towslee) Approve request for race dates subject to timely submission of an application for issuance of a race meet license and approval of the application by the commission.

VOTE: 4 Aye, 0 Nay, 1 Excused

#### **6. Multnomah Greyhound Park Update**

Carl Wilson reported the Oregon taxable handle is up .6%. While the Oregon handle on live races is down 6%, the total live handle is down only 3.7%. Exports are up 4%, which is about 24% of the total handle. The simulcast handle is up 4%.

#### **7. Out-of-State Horse Simulcasting Approval Issues**

The following is a transcript of the portion of the meeting dealing with out-of-state simulcasting approval issues. During discussion on this item Commissioner Fine arrived.

SW Steve Walters, Chair, ORC  
DB Dave Benson, President, HBPA  
DC Dick Cummings, President, MGP  
JS Jim Shapley, Patron  
TT Tom Towslee, Commissioner, ORC  
LF Laura Fine, Vice Chair, ORC

SW: The last item on our agenda, and Commissioner Fine wanted to be here for that but she's too late, is agenda item no. 7 which is about horse simulcasting approval issues. We've asked several people to come to discuss this issue today. Dick, are you going to address it on behalf of MGP? And then I believe Dave Benson and Cliff from the HBPA have agreed to come and answer some of the questions that we had. If it's okay with you, if everybody would come up together that would be great. And I believe we asked Mr. Shapley, are you Mr. Shapley? Would you mind coming up and....

DB: We don't even have to have anybody between us, do we? (laughter)

SW: Of course not.

DC: Representing Afghanistan and Sudan.... (laughter)

SW: Dick, what I would just like to ask for you to describe and in just factual terms what this issue is. You had sent us, each of the commissioners, a sort of collection of correspondence. I think it is correspondence a lot of it initiated by Mr. Shapley, your responses to him, some letters written by the HBPA on the subject. If you could just describe for us, please, what the issue is and why we have it before us today.

DC: Certainly. I will try to keep this very brief since everybody has had an opportunity to read this, the "term paper". Mr. Shapley and I have become pen pals this summer. I think the evolution of the letter writing is in response to what was perceived initially as the absolute and utter inability of MGP to provide appropriate horse simulcasting as in the year past. What that meant very simply was a year ago we used to have approximately six to seven superior horse racing signals for our horse simulcast racing enthusiasts to wager upon. And this year that has, over the course of time, dropped to as low as four, and recently it has been increased to five, hopefully six in the next week or so with the addition of Hawthorne from the Chicago marketplace. Essentially Mr. Shapley's letter writing campaign made it very apparent to the management and staff at MGP that there is significant problems on-going in the industry. We're in a, we all know and we've all heard over the course of many months and many years in front of this august body....(snicker)....about....

SW: Thanks, Dick....

DC: Yes, indeed, little sop, ....we've all heard us talk at various times as lately as this afternoon about the phenomenal job that we all intend to do and attempt to do to create better fan generation. I applaud the Portland Meadows and their partners, the HBPA, OTBA, and various and sundry other folks and acronyms, who will be a part of that for their upcoming meet. The sad thing, however, is I believe that the racing fan in this state, regardless of breed preference, is being miserably served by MGP's inability to achieve some level of accord with either the Oregon HBPA or local HBPA's around the nation. As everyone knows, the Federal Interstate Horse Racing Act of 1978 provides certain authorities for horsemen's groups around the nation. I don't think it was ever intended to be used as a club to hold folks hostage, but I think in this particular instance with the recent passage, the very recent passage, of the out-of-state simulcasting authorization, the new simulcast rule which had been a policy for some period of time preceding it becoming, achieving the status of a rule, sadly has resulted in great discomfort to our patrons in Oregon. Our racing fans and racing wagers are being directed, if you will, by the inability to provide appropriate simulcasting levels are being basically told and encouraged to go break the law, the new law in this state, which is the law from 1997, which mandates that all wagering should go through, or has to go through, the appropriate Oregon-based totalizator system. We recognize that....

SW: Or go across the river....

DC: Or go across the river, or worse, don't go across the river, go to your phone and go elsewhere. And elsewhere, very simply, are places like the Penn National wagering system, the Philadelphia Park wagering system, any number of wagering systems that are out there. I think what we are doing is we're entreating our racing patrons to cocoon themselves to leave the off-track betting environments and to leave the live racing environments, literally go home, sit on the couch, do their handicapping, and those that don't require socialization, it's just as easy to pick up the phone and say 'Oregon be damned, we'll do our business elsewhere'.

SW: Dick, if you could give us a little more detail. I know some of your material is...., kind of lay it out, but I would like to know what signals you have been able to get and what signals you haven't been able to get.

DC: Well, the signals that we currently have are Southern California, Northern California, Maryland, New York State, and we're ready to commence with the Chicago marketplace, Hawthorne. Ones that we haven't been able to obtain, that we have in the past, most significantly is Emerald Downs, which, of course, is a regional racetrack, a northwest regional racetrack that everybody who wagers in this state and certainly in this portion of the state and certainly horsemen in this state, have keen and passionate interest in. What we have done effectively is said, 'people go across the river, go visit the Dodge City Saloon and leave your money, your purse money, your betting money with Washington state'. That's the effect of that. Kentucky, which everyone knows is one of the all-time superior signals and was really gaining in tremendous popularity in 1997 was not allowed locally, locally in Kentucky to be shown here in Oregon. The same thing occurred with Calder, the same thing has occurred effectively with Penn National, the same thing has occurred with Retama Park, the same thing has occurred with Evangeline Downs and Louisiana Downs in Louisiana, Sam Houston Race Park in Texas along with Retama....

SW: My understanding, if I can interrupt you, you got Lone Star, but then somehow someone it was discovered that that was an oversight on somebody's part in Texas that they let you get Lone Star, and then when they figured that out they wouldn't let you have Retama or Sam Houston.

DC: Yes, that's the story that we heard at MGP. That it was essentially an administrative oversight and folks in Texas been more tied on we would not have received the Lone Star signal. And the Lone Star signal, frankly, was an incredibly good signal, and it would have been a tremendous signal to keep in a, to resurrect the word 'continuity', but it would have made all the sense in the world to keep it. Prairie Meadows, Ellis Park, Churchill Downs, Calder, and again, Emerald Downs. Arlington Park has ceased operations for some period of time, so they weren't able to be gotten, obviously, as they were last year. That's why we headed to the sister track down the road in Cicero which is Hawthorne. So, we've been able to staunch a little bit the scarcity of racing. We've been unable to get Thistle Downs/River Downs in the fold, we have been unable to achieve an accord with Monmouth Park in New Jersey. I am not certain these are all related to horsemen's issues but I suspect, by and large, that the reluctance on the part of many of them to not want to send the signal here means that because there would be no other reason for them not to send the signal. I have a number of letters from various HBPA's around the nation which just basically....

SW: That was my next question. In this package I had seen two. I had seen the Florida letter and I had seen the Emerald Downs letter enclosing the letter from the WHBPA. But do you have letters from some of these other tracks saying basically we don't have approval of our host state HPBA so we aren't sending our signal.

DC: Yes, yes we do. And they all have a common theme, which is they don't want to be in violation of the Interstate Horse Racing Act....

SW: Patterned after the Florida letter, you mean?

DC: Somewhat, yes, somewhat. Some are much shorter than that. The Florida letter was actually one tremendous letter in terms of verbiage. It would appear to me, and I certainly don't want to speak for Mr. Shapley, but Mr. Shapley asked a tremendous question somewhere at mid point in the development of this great pen pal relationship. He asked it really of Mr. Benson, and he said upon receiving a letter from Mr. Benson that "while you haven't told local HBPA's around the nation to not send the signal to MGP in Oregon", Mr. Shapley rightly pointed out, I believe, that "maybe what you'd want to do is contact those people and tell them they could for the benefit of the racing patrons". Now far be it from me to present that I know what's going on in the HBPA organization, and I have no clue. I can only tell you what I surmise as an operator in this state....

SW: Before you surmise about what's going on in Dave's organization, because he's here to answer questions as he offered to do some time ago and talk about the HBPA's position. I'd like, Mr. Shapley, if you would, one of the reasons I wanted you to be here, and I am grateful for you to have come and take the time to talk with us, is just to give us your perspective on what's going on with respect to racing fans in Oregon as result of this. Dick has given us some comments about his views, and I would like to hear the perspective from the "horse's mouth".

JS: I must be it. Well, I think he hit on some of the major points. I can tell you that I'm from the mid-west, have been here for eight years, actually I'm from Iowa, and what I find interesting about all this is that Iowa and Florida, and I'm not sure if there are other states, are also states that have both live horse racing and dog racing. I have been back to Iowa numerous times at their off-track sites, and they show both dog races, they show thoroughbreds and standardbreds, they show them all. I don't know what kind of agreement they have there, but they don't seem to be having the animosity that seems to persist here. It's gotten to the point where, and I usually go over to the Best Bet in Beaverton because it is one of the larger facilities, that it's not worth going to me. The Friday simulcasting in particular, and it may be a little better now, but for awhile had simply had two simulcasts of horse races that started about 10 in the morning and then there was nothing until about 4 in the afternoon, and so that when those ran out, which was roughly 2 o'clock in the afternoon, you were left with nothing but dog races to bet on in the interim....

SW: You're a horse player.

JS: Yeh. I mean I will occasionally bet on the dogs, but I much prefer the horses, and I've been going to simulcasting quite a number of years here and this is the first year where it appeared to me that.... My perception was that MGP was more interested in promoting the dog tracks and simply they were throwing some horse tracks in here this year because that's how they felt about it. When I started writing letters and got some response particularly from Mr. Benson, which I didn't buy,....

SW: I'd like to keep this factual....

JS: Yeh, well, okay....well, which Mr. Cummings has already alluded to in the same letter, that he told me in the letter that I received that they never told anyone not to broadcast the simulcast racing. They simply said when asked if they were receiving any proceeds from those simulcasts they simply said 'no'. Well, I mean, that, I don't know. I'm not going to go any further with that.

SW: Sure.

JS: And that let me to write further on this. The Saturday program, which is the one most people attend I think because we're off work and that sort of thing, wasn't much better. Two race tracks again at 10:00 a.m. When Lone Star was running it started at roughly, I can't remember 12 or 1 o'clock, and then at 1 o'clock Santa Anita and Bay Meadows or whatever was.... That's how that ran. The point is that I'd go over at 10 in the morning on Saturday, nobody there. And the reason is because when those two race tracks go off, unlike dog races where they can run them every 10-12 minutes, the horse races take 25 minutes in between races, and if you're running two of them that start at essentially the same time, it's make a couple of bets, sit around for 20 minutes, make a couple more bets, sit around for another 20 minutes and wait 'til another track shows up on simulcasting. It got to the point where I'm not going anymore. At this point I don't intend to bet on the live handle at Portland Meadows this fall because based on what I've read and what I'm looking at here, I think that the horsemen's association is behind the problem.

SW: What do you see, speaking as someone who obviously is a regular horse player, what do you see long-term effect if this sort of thing continues.

JS: I have a friend I usually go with. He's quit going, and what he's done is he's set up an account out of The Meadows in Pittsburgh with Ladbrooke Racing, I think, and he's just calling up and making bets that way. He's not even going to the off-track site anymore. I think that's what it's going to come down to....

SW: You expect him to continue that when Portland Meadows starts 'cause he's in that pattern?

JS: He may. He may not come back, I mean, if there's enough simulcasting he might change his mind on it. I actually like to see them. If you call them in, you can get the results and some of the satellites now show replays late at night. I prefer not to do it that way, but I think that's what this is coming down to. And I think, you know, these places are springing up all over the place and they're getting to be tempting to say let's go that route and to heck with this.

SW: Dave, so that we don't surmise anymore about what your views are and what your thoughts are, let me introduce this. I had gotten a letter back in June, Dave, on behalf of the HBPA and he was upset with some things he'd read that had been said by the commission on this whole subject. I was out of town and wrote a letter back to him about a month later and thanked him for setting the record straight and for offering to come talk to us about it, about what the HBPA's view are and what you see is happening. I appreciate you coming here and talking with us, Dave. What I'd like to do, if you could, just give us the view of the horsemen here about what's happening with this, why and where you see all this leading.

DB: First of all, I think everybody's aware of the fact that I have been president of the Oregon HBPA for less than a year. On my first attendance at the national meeting a year ago I was asked by various other representatives of HBPA from other states were we being compensated for the signal, at which time I said 'no', and at that time we weren't running, I mean, we were running the live meet at Portland Meadows, and so on. They were literally appalled to the fact that the horsemen in Oregon were not being compensated for the horse signal coming in. Nothing else was said until later on this year as our live meet concluded and MGP started to run, we received, I've received phone calls from, again, the horse organizations, HBPA members, asking if we were being compensated this year, and at which time I said 'no'. Did I go to them and say 'no, but please send it anyway'? No, I did not say that. The Oregon HBPA has been a part of the defending of the Birmingham's lawsuit of the Interstate Horse Racing Act in support of that and it passed and, therefore, I believe at this point right, wrong or indifferent the various horse associations feel it's tremendously important to support the horsemen of the other states. We were never asked, I personally was asked 'are we being compensated'. The answer very simply, and as I said in my letter, 'no, we are not being compensated'.

SW: Dave, in the letter I wrote back to you which I sent to the other commissioners because you had sent yours to the other commissioners as well but I didn't have it circulated widely to anybody, but I pointed out the fact that greyhound simulcasting plays a rather huge role at Portland Meadows and that the horsemen there get rather substantial compensation from that, in fact I think it is about a third of the purse account comes from greyhound simulcasting, and we just approved a race meet application for Portland Meadows that again contains a rather significant component and role for greyhound simulcasting, and at least I believe the management at Portland Meadows when they've told us again and again that Portland Meadows can't run without greyhound simulcasting. In your discussions with national HBPA folks or folks throughout the country, have you told them, sort of, that... the way things work here in Oregon, and that particularly at the flagship track it depends just really heavily on greyhound simulcasting and that this commission has made sure that horsemen receive a fair share of all greyhound simulcasting that happens at Portland Meadows?

DB: I personally have been very reluctant to say a whole lot pertaining to the Interstate Horse Racing Act. I've been afraid, very honestly, that I might be in violation thereof, and so I would prefer not to do that. We have discussed in general... I personally, and I can't speak on behalf of the Oregon HBPA or any other affiliated HBPA organizations, but I believe that some form of cross-breed compensation is the proper way to go. I don't believe the way that it's set up now is the proper way. I think there's a lot of room for all of us to sit down and talk at a later date and develop a program. I believe that was tried several years ago prior to me coming on board. It never got anywhere, or at least we came up with a policy that we're at. We're all, I think the all racing industry would like to see our purses improve. I don't believe that the present policy, or to establish a cross-breed compensation program with just bilateral 50/50 thing is not the way go either. There's a lot of different things involved in it that needs to be discussed and thoroughly investigated. But, the HBPA's, you know, they fought long and hard to get the Interstate Horse Racing Act and I believe that each one of those organizations is acting to protect that which they've gotten.

SW: Sure, and we can....

DB: Right or wrong....

SW: A lot of other people may disagree about what the Interstate Horse Racing Act requires, what it was intended to do and that type of thing. I mean, it would seem to me at least relevant to discussing with HBPA's in other states the kind of system we have here in Oregon and the critical role that greyhound simulcasting plays in the future and existence of the flagship horse racing track, to make sure that they understand that, and I'm concerned that they don't understand that. That would seem to be reflected by the letters we get, or MGP gets, which would seem to indicate a belief on their part that horsemen are just cut out and there's no compensation to them at all, that it isn't the system of kind of trade offs the way that has happened here in Oregon and largely, or affected a lot by the fact that Oregon law is you've got to race live in order to simulcast. So that's different, I think, than in other states. But, one question to you. My understanding is that MGP did finally in order to try to get Emerald in here, which seems to be a really critical issue, maybe the most critical, they talked about compensation and you folks turned them down. Is that the case?

DB: Well, as I explained to Mr. Wilson at the time that I would have to take any proposal to the board of directors, which I did. I don't vote on it, and it's easy to say that which way I would have gone wouldn't have mattered, but it was a unanimous vote, 100%, that they felt it was not in the best interest to accept the offer. I can't speak for everybody, on everyone's behalf of the reasoning why they voted the way they did, but I know there was discussion afterwards and beforehand that we're afraid of setting a policy of establishing a precedent of something that may happen in the future and that with legislation coming up in the immediate future here the first of the year that possibly that's the way it should be handled and directed for in the future.

SW: Have you told folks from the WHBPA that you were offered compensation that you turned down?

DB: Yes. They were aware of it. When they came to, when we were at the national meeting in Iowa last week and they asked me, they said we received a letter that says you were offered this amount of money and apparently we were told, I was told that they received the letter from MGP that said they offered it and that we turned it down. And they asked us specifically why did you turn it down, and well, we have a policy that's been dictated by the Oregon Racing Commission. We felt by accepting that it would be against their decision.

SW: But I guess.... A couple thoughts on that. (1) Is that I wasn't aware of any questions by the HBPA to the Racing Commission as to whether or not anybody on the Racing Commission, whether it be Steve from his point of view or any of the commissioners, would see that as a problem. I'm correct in that, aren't I, that the HBPA didn't ask the Racing Commission how we would feel about you taking money if it was offered to you.

DB: Ah, what comes first, the chicken or the egg, I don't really know. I believe that we probably felt that maybe if that would have been appropriate that maybe MGP would have gone to the commission and say is this fine, and with the endorsement, I don't know....

SW: I guess that's my next question. At least in Dick's package he had a copy of a letter that Steve Barham sent saying this issue has been raised and as far as I know there is no problem with the Racing Commission. Were you aware of that letter?

DB: No, I was not.

SW: Obviously, the real concern that I have and that I'm struggling with here is that, you know, you're right. We have talked about simulcasting policy 'til the cows come home or the horses come home or the dogs come home or whatever, and it's been a long and difficult process. There are a lot of views and there are a lot of possibly different ways to approach an issue, and the HBPA has participated in that process as have the representatives of the race tracks and the greyhound breeders and the OGA and folks like that. At the end of the day the commission adopted a set of rules indicating one policy. I absolutely respect your right to disagree with that policy and to try to persuade us that another policy would be different or should be implemented. And I absolutely respect your right to go to the legislature and try to persuade them that the policy adopted by the Racing Commission is incorrect and that the legislature ought to do something different, either change the provisions of the law that affect our policy or enact a statute that would change our policy, that sort of thing. Absolutely respect your right to do that. The concern that I have, and it just really is a very, very serious concern, is that rather than doing that right now what seems to be happening, whether it's at your urging or simply 'cause you're not saying to the other HBPA's around the country that look, we have our differences with the commission but there are places to work them out like the legislature, or try to work them out like the legislature, or further commission meetings; that what is happening is that people like Mr. Shapley are being denied the ability to wager on these signals and that that is really seriously injuring racing in Oregon, not just at MGP. You listened to Carl Wilson's report. Their numbers are about the same as last year, they might be, they probably, they certainly would be better if they had more signals. But the people who are really getting screwed are the Mr. Shapleys of the world who are, who may leave and not come back and that's what just really, really concerns me about this whole issue. I would urge you to let the whole story be known to your colleagues and other HBPA's, and particularly the Washington folks, if the reason they're not sending the signal is that you're not being compensated, you were offered compensation. I don't know what in the world is going on with them that they wouldn't send the signal since you were offered compensation. But again, the whole upshot is what we're doing is running off people like Mr. Shapley and lord knows how many others. I mean, if they don't show up it's hard to say why they have left. It strikes me as just a really serious problem for racing in Oregon, and as I say, Dave, believe me I respect you, I like you, I respect your organization, I like the people in that organization, I respect your right to disagree with policy issues, but there are ways to deal with those either through the commission and, if you don't think you get what you want there, to go to the legislature. In the meantime, the fans in Oregon are getting the short end of the stick and that's a really serious problem.

DB: First, I'd like to comment about going to the legislation. At no time did I indicate we, the HBPA, are going to go to the legislation and seek it. I understood....

SW: You have the right to do it.

DB: Well, we have the right to do that if we choose, but I also understood, and I've heard reports that the Racing Commission themselves are going for legislation for a type of simulcast or a policy that will affect horse racing. That's what I'm referring to in general, whomever seeks legislation whether it be us or whether it be MGP, whether it be the Racing Commission, at no time was I meaning that we are going to proceed that way.

SW: You have the right to do it, and I absolutely respect your right to do it, Dave.

DB: Yeh, and we understand that, but I want set the record straight there that I was entailing any and all of us that might do that. But that was my feeling, you see, when I made that comment earlier that there was legislation possibly pending thinking it might have been from your side or that may change that....

SW: We have something that is kind of a placeholder bill there, Dave. I have been told by a variety of other people that there are going to be other bills put in the legislature to do various things wouldn't surprise me a bit. But it seems to me that that is the forum to try to resolve disputes....

DB: Correct....

SW: with the commission's policy. Either start with the commission, and if you're not able to persuade us that we ought to have a different policy, to go to the legislature and persuade them, or go to the governor and say that you need a different set of commissioners. There are very legitimate ways to do that. The thing that just really....

DB: That's then, and we're looking at now....

SW: We're looking at now and we're looking at the man who's not going to the Best Bet anymore and may not go to Portland Meadows and may not wager on their signals, and I wouldn't ask him to tell us here if he were breaking Oregon law by going out and betting at a telephone account, but, you know, maybe that's going on.... He's told us at least he has a friend who is, and we won't ask him to name him; but that's just a really serious problem for racing as a whole, and I'm sure you recognize that.

DB: We can surely, you know, bring all of this up to our constituents and so on. I do know, though, that there is, and this is beside the point. if somebody does suffer from it as the bettor in Oregon might, I've been known to wager a little bit myself at the dog track and the horse track, but....

SW: You don't have to admit that either.

DB: But that's right. I've stood behind in line behind a lot of other here.... Actually, though, the Interstate Horse Racing Act there has been a lot of money spent on that, and again, I am relatively new at this, it's just been a year. But I've been amazed at the overall support the people that are trying to support the intent of Horse Racing Act, and that's not to say, yeh, we just spent 3.5 million dollars defending it but we're going to give, you people go ahead and we're going to go ahead and send it anyway and totally in opposition of what they try to defend.

SW: Well, again....

TT: I think Commissioner Walters' point is that these people, I don't think that you've made the effort to give them all the facts about what the situation is in Oregon. I don't think they're dealing with all the information.

DB: No, we did give them a lot of the facts here and stated the policy that we're presently under. We also tell everyone of those organizations that we meet with, we don't ask them not to send it, it's your decision. If you chose to send it.... I received a phone call two or three weeks ago from Detroit, the president of Michigan HBPA. Are you receiving compensation. No, we're not. He says, well, why aren't you? And I says it's the decision....

TT: By compensation do you mean is money going into the pockets of the Oregon HBPA because of signals that are....

DB: No. The HBPA, we don't want a penny. It goes to the purses, all of our money goes to purses. But, so I received this phone call from the president of the Michigan HBPA who I informed, no, we are not being compensated, and he says, well, we've been requested to forward a signal and he says we'll have a board meeting, and I understand they had a board meeting and it was decided to send the signal anyway. Now, I don't know, I haven't been out, I haven't seen the signal so I am not aware of that.

TT: Another tribute to the solidarity of the HBPA. Can you, is this, what we're moving at here, I think, is sort of getting back to the argument of breed to breed. Dave, do you believe Gene Ferryman when he tells you that his track can't survive without the dog signals?

DB: In a way I do. I think it takes everybody.

TT: Okay.

DB: Now, the dog track's been receiving some horse signals. I believe the horse track, it requires all of it.

TT: But, in a perfect world if all of the state HBPA's were act the way that Texas and other states have acted and denied horse racing signals to Multnomah Greyhound Park, doesn't that create an uneven situation? And would it be outside of the commission's, would the commission, be appropriate on our part to say, okay, if the horse racing industry is not going to provide horse signals to the dog track, then let's just go to breed-to-breed and deny dog signals to the horse track. Would you support that?

DB: No.

TT: So, you would support having an unfair situation in which....

DB: No, I don't support breed-to-breed. I personally do not like, and again I'm not speaking for the Oregon HBPA, I'm talking of my own personal opinion. I'm not in favor of breed-to-breed. We only race a certain time of the year, we run at the, during the winter months when we ourselves cannot take advantage of the best horse signals out there. They don't, Kentucky....

TT: So you don't mind using the dog signals to help support the horse track, but you don't want to use the horse signals to help create a better financial situation to the dog track.

DB: I think I started off my conversation today with personally I believe in cross breed compensation in one form or another. I'm not saying that's a 50/50 basis but I said that I feel that we need to sit, there's a lot of room to talk and work out a program that would be doable for all parties. My belief is that there should be cross breed compensation, I'm not saying again 50/50 or whatever. You have to look at all the elements involved to make that determination.

TT: Well, you know the current situation is kind of pushing me solidly into the camp of breed-to-breed. If we're going to deny horse signals to the dog track then I think in interests of fairness in trying to regulate the industry in a fair manner that we should look at no longer bringing the dog signals into the horse track. And how that benefits you.... You're forcing that issue.

DB: If that's the decision, my, I think I also stated earlier that my feeling is that it would be in the best interest of all parties to sit down and, I'm sorry if things didn't work out in discussions of two, three or four years ago, but that doesn't mean that we can't try again.

SW: Dave, let me just ask you one question. Is there any doubt in your mind that if the Oregon HBPA got one of these calls from HBPA in another state and, about we have been requested to send a signal and what are your views on that, that if the Oregon HBPA said look, we.... He's listening to my question, Glen, excuse me.... that if you said we don't get direct compensation from this signal but we get a lot of compensation from greyhound signals at Portland Meadows and we think, our commission has adopted this approach at least in part because of unique requirements of Oregon law and maybe we can work with them and work with the legislature to get these changed, but in the meantime so that the Mr. Shapleys of the world will have something to bet on and that our fragile betting public in Oregon won't go away, we just prefer you sent the signal, or, we certainly don't have any problems with you sending the signal. Is there any doubt in your mind that they'd send that signal?

DB: I really can't answer that. I don't know what they're decision would be, I really don't.

SW: I guess I, for one, would just really ask you to try with these HBPA's and particularly with WHBPA. I assume you have members in Oregon who are members of WHBPA, so they have a pretty good idea of what's going on. I just can't imagine why, if the issue is are you receiving compensation and is there an Interstate Horse Racing Act and Multnomah Greyhound Park has said we'll pay you some compensation and for whatever reason, and I understand you can't speak for what's going on, we don't want to accept that, for the WHBPA to then say we're still not going to send the signal, just kind of boggles my mind.

DB: I think that the last thing that I can really offer is that, you know, Oregon is not unique. We're not alone, this is not the only state that people have not sent signals to. We ourselves have not allowed signals to go out to various states over the years. There are other states and agencies that are in the same boat as Oregon that are not being compensated and have not received signals.

SW: I guess, I can't speak for other states, but what I believe very sincerely I think Mr. Shapley's comments very seriously about what the effect of that is. We've got a racing industry here in Oregon now where we have new ownership at MGP, we have not new ownership but ownership at the New Portland Meadows that is for the first time in a long time able to do some creative things to try to take the track and run with it, perhaps getting some stability in Oregon racing for the first time in a long time but just when things are looking better we have something that is coming up that is fracturing our relationship with the people we all seem to forget about too often, and that's the people who bet the money. I would urge you to try when you talk to people from the other HBPA's, particularly the Washington HBPA, to say we're trying to work out our problems here but it's having an adverse effect on our betting public for you not to send that signal. I would urge you to explore that. Any other questions or comments by members of the commission on this subject? Commissioner Fine.

LF: Yes, thank you, Mr. Chair. I apologize for my lateness. I'm actually supposed to be on vacation today, and I came in especially to address these two issues, although it appears that one got pulled. I don't think I could say it any better than what Commissioner Walters just said, and so I simply want to echo his comments and I feel very strongly this is something that you should resolve on your own without us taking any further steps to intervene because, frankly, you may not like the direction we go.

SW: Any other questions or comments by members of the commission?

TT: Is there any action required on our part?

SW: No, not action right now that I know of or anticipate. So this was more to try to find out what was going on and to express real concern about what's going on and the effect that that's having on the betting public in Oregon. I think it's real.

TT: Mr. Chair, I just have one question. We just approved the race application for Portland Meadows, and in that application is a simulcast program that includes greyhound signals from south Florida, north Florida, Texas and some others. Do we have the right to revisit that portion of this application in the future?

SW: Well, what we've done is we have delegated to the executive director the approval of simulcasting signals, and he's been listening intently to this discussion and the views you among others have expressed.

TT: Okay.

SW: He's a very discrete person when it comes to exercising delegated authority.

TT: Well, you know, your comments regarding getting this issue resolved within the industry, I agree totally and hopefully you will be able to do that and we won't have to revisit the Portland Meadows application regarding the greyhound signals.

SW: Further questions or comments? Thank you all. Mr. Shapley.

JS: May I make one last comment?

SW: Sure.

JS: From what I've heard here, I think, or what I believe is, I don't believe that the horsemen are going to do anything, and I'm going exercise my right to vote with my feet. I'm just not going to go until this is resolved, and maybe that's what they're after. But I've had it.

SW: You're saying that....

JS: They sound entrenched to me.

SW: You're saying that about Portland Meadows, you're talking about betting in Oregon.

JS: I'm talking about specifically betting on the live handle at Portland Meadows, and I'm considering the off-track situation right now. I don't know. I mean, I like to go, but I think my hand is being forced and when I do go to the Best Bet I'm going to make it known what my feelings are on this to the people who are there. I think the public is taking a real, taking it in the throat over this argument. I would like Mr. Benson one question, and that is, with Portland Meadows opening up this fall are the horsemen going to allow themselves to receive the money from the dog simulcasts this winter like they did last winter, or are they going to say we won't take anything this winter either until we get this whole thing resolved.

SW: I think the answer to that is they're going to..., the money's..., to the extent there's greyhound simulcasting it's going to go into the purse account and the horsemen are going to run for those purses.

JS: Then I agree with Mr. Towslee here that the greyhound signals should be pulled from Portland Meadows. I mean, if they want to play that kind of pool, I that would be the approach I'd take.

DB: Does that also mean then that MGP will immediately cease all horse simulcasting?

TT: If the HBPA has its way.

JS: I am certain that if the California horsemen belonged to the HBPA and what I understand New York and Baltimore did that they wouldn't have any signals right now. I think those tracks, the horsemen there apparently don't care.

SW: I think we're going to leave it at this, and I really do thank you for coming. I thank you for your views, Mr. Shapley. I want you to know this commission takes them really seriously, and I really believe that we have a situation here that is doing nothing but hurting everybody in racing in Oregon, and that it isn't just a matter of dogs versus greyhounds (sic), it's a matter of running off the people who support the industry, and so again, thank you all for coming. Dick and Dave, thank you very much.

There being no further business, the meeting was adjourned.