

**A-Engrossed**  
**Senate Bill 747**

Ordered by the Senate April 6  
Including Senate Amendments dated April 6

Sponsored by COMMITTEE ON BUSINESS, TRANSPORTATION AND WORKFORCE DEVELOPMENT (at the request of Oregon Horsemen's Benevolent and Protective Association)

**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.

Requires licensee conducting race meet for horses to maintain cash vouchers account. Requires periodic payment of cash vouchers account balance to horsemen's *[association]* **associations** for benevolent **and educational** purposes.

**A BILL FOR AN ACT**

1  
2 Relating to racing; creating new provisions; and amending ORS 462.057, 462.062, 462.127 and 462.140.

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

4 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 462.**

5 **SECTION 2. (1) As used in this section, "cash voucher" means a receipt showing the**  
6 **amount paid into a wagering system prior to placing a wager.**

7 **(2) Every licensee who conducts a race meet for horses shall carry on the books for each**  
8 **race meet an account to be known as the Cash Vouchers Account showing the total amount**  
9 **due on outstanding cash vouchers not presented for wager or payment. The licensee may not**  
10 **make payments from this account except to a person who presents a valid, clearly identifi-**  
11 **able cash voucher.**

12 **(3) All cash vouchers must be used for wagering or presented for payment within 180**  
13 **days after the close of the race meet at which the cash voucher was purchased. At the ex-**  
14 **piration of the 180-day period, the holder of the cash voucher does not possess any further**  
15 **right in the unused amount and the voucher is void.**

16 **(4) Two hundred ten days after the close of a race meet conducted by a licensee under**  
17 **this chapter, an amount equal to the outstanding balance of the Cash Vouchers Account**  
18 **shall be paid as follows:**

19 **(a) Seventy percent to the horsemen's association having the greatest number of mem-**  
20 **bers entering horses in the race meets of the licensee during the 180-day period.**

21 **(b) Eighteen percent to the Oregon Thoroughbred Owners and Breeders Association, In-**  
22 **corporated.**

23 **(c) Twelve percent to the Oregon Quarter Horse Racing Association, Incorporated.**

24 **(5) An association receiving a payment of moneys under subsection (4) of this section**  
25 **shall use the moneys only for benevolent or educational purposes of the association. A**  
26 **licensee shall be subject to a civil penalty of not less than \$25 per day after 210 days for**  
27 **failure to pay moneys due to a horsemen's association in accordance with this subsection.**

**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 **Civil penalties under this subsection shall be imposed as provided in ORS 183.745.**

2 **(6) Notwithstanding the provisions of subsections (3) and (4) of this section, if a contin-**  
3 **uous race meet is designated by the Oregon Racing Commission, the 180-day period referred**  
4 **to in subsection (3) of this section shall commence after the close of the continuous race**  
5 **meet at the race course.**

6 **(7) Notwithstanding the provisions of subsection (3) of this section, if the 180th day pre-**  
7 **scribed therein falls upon a Saturday, Sunday or legal holiday, the holder of the cash voucher**  
8 **may file the voucher with the licensee on the first business day thereafter.**

9 **SECTION 3.** ORS 462.057 is amended to read:

10 462.057. (1) A race meet licensee designated in subsection (2) of this section shall make payments  
11 as follows:

12 (a) License fee - \$25 per fiscal year payable to the Oregon Racing Commission.

13 (b) A percentage of gross mutuel wagering shall be paid to the commission as follows:

14 (A) If the race meet is for horses or mules - one percent.

15 (B) If the race meet is for greyhounds - 1.6 percent.

16 (c) If the race meet is for horses or mules and the average daily gross mutuel wagering during  
17 the preceding fiscal year exceeded \$150,000, a percentage of the gross mutuel wagering shall be paid  
18 as follows:

19 (A) To purses - such amount, subject to prior approval by the commission, as the race meet  
20 licensee and the horse owners, or mule owners if the race is for mules, may agree upon, plus an  
21 additional 0.1 percent. The additional 0.1 percent shall not become part of the regular purse account  
22 but shall be used only to supplement purses of races consisting exclusively of Oregon bred horses  
23 or mules;

24 (B) To the Oregon Thoroughbred **Owners and** Breeders Association, Incorporated, purse sup-  
25 plements for owners of Oregon bred thoroughbred horses - one percent of gross mutuel wagering on  
26 thoroughbred horse races, to be apportioned among the owners in the same ratio that each owner's  
27 purses for Oregon bred thoroughbred horses for the race meet bears to the total purses for Oregon  
28 bred thoroughbred horses for the race meet;

29 (C) To the [*Racing Division of the Oregon Quarterhorse*] **Oregon Quarter Horse Racing** Asso-  
30 ciation, Incorporated, purse supplements for owners of Oregon bred [*quarterhorses*] **quarter horses**  
31 - one percent of gross mutuel wagering on [*quarterhorse*] **quarter horse** races, to be apportioned  
32 among the owners in the same ratio that each owner's purses for Oregon bred [*quarterhorses*]  
33 **quarter horses** for the race meet bears to the total purses for Oregon bred [*quarterhorses*] **quarter**  
34 **horses** for the race meet;

35 (D) To each association of horse or mule owners, trainers or breeders recognized by the com-  
36 mission as representing the other breeds of horses or mules not designated in subparagraphs (B) and  
37 (C) of this paragraph, purse supplements for owners of other Oregon bred horses or mules, not des-  
38 ignated in subparagraphs (B) and (C) of this paragraph, one percent of gross mutuel wagering for  
39 races of other horses or mules, to be apportioned among the owners in the same ratio that each  
40 owner's purses for other Oregon bred horses or mules for the race meet bears to the total purses  
41 for other Oregon bred horses or mules for the race meet;

42 (E) Subject to prior approval of the commission, each horse or mule owners, trainers or breeders  
43 association designated in subparagraphs (B), (C) and (D) of this paragraph may use a portion of the  
44 purse supplements as operating expenses only for receipt, handling and payment of these funds; and

45 (F) To a special track fund to be used primarily for improving the race track facilities benefiting

1 the horse and mule owners, trainers or breeders in the barn area - 0.2 percent. All such funds shall  
2 be retained by the licensee in a separate account from all other funds and no disbursements or  
3 transfers shall be made therefrom without prior approval of the commission. All physical improve-  
4 ments paid from such funds shall satisfy reasonable fire, health, quality and construction standards  
5 established or approved by the commission. Unless the commission provides otherwise, such im-  
6 provements shall be made on the race course where the race meet which created the fund was held.

7 (d) If the race meet is for greyhounds, a percentage of the gross mutuel wagering shall be paid  
8 as follows:

9 (A) To a special fund to be used primarily for the development and operation of a training track  
10 and related facilities upon which to train greyhounds - 0.1 percent. All such funds shall be retained  
11 by the licensee in a separate account from all other funds and no disbursements or transfers shall  
12 be made therefrom without prior approval of the commission. All physical improvements paid from  
13 such funds shall satisfy reasonable fire, health, quality and construction standards established or  
14 approved by the commission. Unless the commission provides otherwise, such improvements shall  
15 be made on the race course of the race meet licensee; and

16 (B) To the Oregon Greyhound Breeders Association, Incorporated, purse supplements for owners  
17 of Oregon bred greyhounds - 0.5 percent of gross mutuel wagering, to be apportioned among the  
18 owners, in accordance with the rules of the commission and subject to approval by the commission,  
19 in the same ratio that each owner's purses for Oregon bred greyhounds for the race meet bears to  
20 the total purses for Oregon bred greyhounds for the race meet.

21 (2) Licensees subject to the provisions of this section are:

22 (a) The Pendleton Roundup.

23 (b) The Eastern Oregon Livestock Fair.

24 (c) The Pacific International Livestock Exposition.

25 (d) Any county fair.

26 (e) All other nonprofit, fair-type associations which conducted a licensed race meet in calendar  
27 year 1968 or 1969.

28 (f) The Pine Valley Fair Association.

29 **SECTION 4.** ORS 462.062 is amended to read:

30 462.062. (1) All licensees of race meets for horses, except those subject to ORS 462.057, shall  
31 make payments as follows:

32 (a) A license fee of \$100 per racing day to the Oregon Racing Commission.

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

34 (c) A percentage of gross mutuel wagering to a purse account, in such amounts as the race meet  
35 licensee and the horse owners may agree upon, subject to approval by the commission. In addition  
36 to the amount paid to the regular purse account, 0.1 percent of gross mutuel wagering shall be paid  
37 into a separate account and used only to supplement purses of races consisting exclusively of  
38 Oregon bred horses. However, subject to prior approval of the commission, a portion of the per-  
39 centage of gross mutuel wagering designated by this paragraph may be paid to one or more associ-  
40 ations of horsemen for operating expenses and other benefits for horsemen.

41 (d) Three-quarters of one percent of gross mutuel wagering on thoroughbred horse races to the  
42 Oregon Thoroughbred **Owners and** Breeders Association, Incorporated, for purse supplements for  
43 owners of Oregon bred thoroughbred horses. The association shall apportion the amount among the  
44 owners in the same ratio that each owner's purses for Oregon bred thoroughbred horses for the race  
45 meet bears to the total purses for Oregon bred thoroughbred horses for the race meet.

1 (e) Three-quarters of one percent of gross mutuel wagering on [*quarterhorse*] **quarter horse**  
 2 races to the [*Racing Division of the Oregon Quarterhorse*] **Oregon Quarter Horse Racing** Associ-  
 3 ation, Incorporated, for purse supplements for owners of Oregon bred [*quarterhorses*] **quarter**  
 4 **horses**. The association shall apportion the amount among the owners in the same ratio that each  
 5 owner's purses for Oregon bred [*quarterhorses*] **quarter horses** for the race meet bears to the total  
 6 purses for Oregon bred [*quarterhorses*] **quarter horses** for the race meet.

7 (f) Three-quarters of one percent of gross mutuel wagering on races for any breed of horses not  
 8 designated in paragraph (d) or (e) of this subsection to each horsemen's association recognized by  
 9 the commission as representing breeds of horses not designated in paragraph (d) or (e) of this sub-  
 10 section, for purse supplements of owners of other Oregon bred horses. Each association shall ap-  
 11 portion the amount among the owners in the same ratio that each owner's purses for other Oregon  
 12 bred horses for the race meet bears to the total purses for other Oregon bred horses for the race  
 13 meet.

14 (g) Two-tenths of one percent of gross mutuel wagering to a special track fund of the type, and  
 15 for the uses and purposes, and subject to the conditions set forth in ORS 462.057 (1)(c)(F).

16 (2) Subject to prior approval of the commission, each horsemen's association designated in sub-  
 17 section (1)(d), (e) and (f) of this section may use a portion of the purse supplements for operating  
 18 expenses and other benefits for horsemen.

19 **SECTION 5.** ORS 462.127 is amended to read:

20 462.127. Notwithstanding any other provision of this chapter:

21 (1) The [*Racing Division of the Oregon Quarterhorse*] **Oregon Quarter Horse Racing** Associ-  
 22 ation, Incorporated, and the Oregon Division Horsemen's Benevolent and Protective Association,  
 23 may each be granted up to 15 days of racing per fiscal year at locations approved by the Oregon  
 24 Racing Commission. Such racing must be sponsored by the [*Racing Division of the Oregon*  
 25 *Quarterhorse*] **Oregon Quarter Horse Racing** Association, Incorporated, or the Oregon Division  
 26 Horsemen's Benevolent and Protective Association, and the net licensee income shall be used only  
 27 for the payment of purses to horsemen participating at the meeting. The commission shall schedule  
 28 the racing for the [*Racing Division of the Oregon Quarterhorse*] **Oregon Quarter Horse Racing**  
 29 Association, Incorporated, and the Oregon Division Horsemen's Benevolent and Protective Associ-  
 30 ation, in such a manner as to avoid conflict with other race meets previously licensed under ORS  
 31 462.057. The [*Racing Division of the Oregon Quarterhorse*] **Oregon Quarter Horse Racing** Associ-  
 32 ation, Incorporated, and the Oregon Division Horsemen's Benevolent and Protective Association,  
 33 shall make payments as specified in ORS 462.057 (1).

34 (2) Racing days granted pursuant to this section may not be included in the number of racing  
 35 days counted for purposes of the 350-day limitation established in ORS 462.125.

36 **SECTION 6.** ORS 462.140 is amended to read:

37 462.140. (1) [*No person shall*] **A person may not** conduct or commit, attempt or conspire to  
 38 conduct or commit pool selling, bookmaking, or circulate handbooks, or bet or wager on any li-  
 39 censed race meet, other than by the mutuel method. All moneys wagered in Oregon must be ac-  
 40 counted for through a computerized mutuel wagering system in use by an operating race meet in  
 41 this state and approved by the Oregon Racing Commission. Wagering into pools outside of Oregon  
 42 via telephone or other device is prohibited unless the wagering information is transmitted by a  
 43 licensee that conducts off-race course mutuel wagering pursuant to ORS 462.700 to 462.740.

44 (2) A race meet licensee may not take more than 22 percent of the gross receipts of any mutuel  
 45 wagering system subject to approval by the commission.

1 (3) A race meet licensee shall compute breaks in the mutuel system at 10 cents for each dollar  
2 wagered in a specific mutuel pool except, when the breaks in the mutuel system compute to less  
3 than 10 cents total for each dollar wagered, the race meet licensee shall compute the breaks on that  
4 specific mutuel pool at five cents. When the breaks in the mutuel system compute at 10 cents or  
5 more for each dollar wagered, the race meet licensee shall pay in increments of 10 cents for each  
6 dollar wagered. When the breaks in the mutuel system compute to less than 10 cents for each dollar  
7 wagered, the race meet licensee shall pay five cents for each dollar wagered. For horses, 45 percent  
8 of the breaks shall be retained by the licensee. For greyhounds, 33-1/3 percent shall be retained by  
9 the licensee. The other 55 percent for horses and 66-2/3 percent for greyhounds shall be paid as  
10 follows:

11 (a) For thoroughbred horse races, to the Oregon Thoroughbred **Owners and** Breeders Associ-  
12 ation, Incorporated, to be used by that association subject to prior approval of the commission, in  
13 such amounts and for such of the following purposes as the association deems desirable:

14 (A) For breeders awards;

15 (B) For stallion awards;

16 (C) For education of the members of the association and other horsemen regarding the breeding  
17 and racing of thoroughbred horses; or

18 (D) For the promotion and development of thoroughbred horse breeding and racing in Oregon.

19 (b) For [*quarterhorse*] **quarter horse** races, to the [*Racing Division of the Oregon Quarterhorse*]  
20 **Oregon Quarter Horse Racing** Association, Incorporated, to be used by that association subject  
21 to prior approval of the commission, in such amounts and for such of the following purposes as the  
22 association deems desirable:

23 (A) For breeders awards;

24 (B) For stallion awards;

25 (C) For education of the members of the association and other horsemen regarding the breeding  
26 and racing of [*quarterhorses*] **quarter horses**; or

27 (D) For the promotion and development of [*quarterhorse*] **quarter horse** breeding and racing in  
28 Oregon.

29 (c) For races for any other horses not designated in paragraphs (a) and (b) of this subsection,  
30 to each association of horsemen recognized by the commission as representing the other breeds of  
31 horses, to be used by that association subject to prior approval of the commission, in such amounts  
32 and for such of the following purposes as each recognized association deems desirable:

33 (A) For breeders awards;

34 (B) For stallion awards;

35 (C) For education of the members of the association and other horsemen regarding the breeding  
36 and racing of horses; or

37 (D) For the promotion and development of horse breeding and racing in Oregon.

38 (d) By a licensee of a race meet for greyhounds:

39 (A) One-half thereof to augment purses subject to reasonable regulations prescribed by the  
40 commission.

41 (B) The other one-half thereof for benefit and improvement of the breeding, ownership, training  
42 and racing of greyhounds in Oregon, subject to reasonable regulations prescribed by the commission.  
43 Included, but not by way of limitation, would be payment of purses for maiden graduation or special  
44 schooling races without wagering, and construction and operation of one or more appropriate public  
45 training facilities within the state. All such funds shall be retained by the licensee in an account

1 separate from all other funds, and no disbursements or transfers shall be made therefrom without  
2 prior approval of the commission.

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