

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Barton, Cameron, Edwards C., Esquivel, Holvey, Kennemer, Matthews, Thatcher, Witt, Schaufler
Nays:	0
Exc.:	0
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	5/8, 5/20

WHAT THE MEASURE DOES: Allows the Oregon Racing Commission to suspend or refuse to renew a license issued to a multi-jurisdictional simulcast wagering hub without prior notice and without a hearing if the licensee has placed customer moneys at risk, and with at least 14 days' notice if the licensee has committed an intentional violation of federal or Oregon law or commission rules. Outlines requirements for the commission to follow if the licensee demands a hearing prior to the effective date of an order to suspend or refuse a license renewal. Requires the commission to adopt rules requiring licensees to meet specific financial obligations. Establishes applicability to orders or notices based upon law or commission rule violations committed on or after the measure's effective date.

ISSUES DISCUSSED:

- Overview of multi-jurisdictional simulcast wagering hubs
- Amount of money wagered in pari-mutuel racing and proceeds used for commission operations and transferred to the General Fund
- Basis for determining violations
- Circumstances behind a particular licensee's violations and its consequences, i.e. funds seized by the federal government

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: According to the Oregon Racing Commission (ORC), a multi-jurisdictional simulcast wagering hub licensee recently had its funds seized by the federal government, so players who had funds on deposit were prevented from withdrawing their funds, a direct violation of ORC rules. There was also suspicion of illegal activity. Based on advice from the Oregon Department of Justice, the only remedy available to the ORC was to issue a notice of intent to suspend the license, allowing the licensee to continue to operate and to continue to collect player monies.

SB 198-B provides statutory authority to suspend or refuse to renew a multi-jurisdictional simulcast wagering hub license without a hearing for placing customer moneys at risk or intentionally violating law or ORC administrative rule.