

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass

Vote: 8 - 0 - 0

Yeas: Conger, Doherty, Esquivel, Hoyle, Johnson, Matthews, Kennemer, Schaufler

Nays: 0

Exc.: 0

Prepared By: Theresa Van Winkle, Administrator

Meeting Dates: 4/20

WHAT THE MEASURE DOES: Prohibits a person from engaging in the business of offering totalizator services using equipment located within this state unless they possess a totalizator business license issued by the Oregon Racing Commission. Authorizes the Commission to establish administrative rules regarding the issuance and renewal of totalizator licenses, including the establishment of fees for the license. Requires the Commission to make totalizator business licensing available no later than March 1, 2012.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Totalizator businesses provide numerous services related to wagering transactions. The totalizator is an electronic system that consists of a network of computers and wagering terminals linked by modems and a frame-relay system, which electronically combines wagers into pools. When a wager is entered into the system, based on pool totals, the totalizator records and displays changes in the betting patterns and recalculates mutuel (pool) odds and projected payoffs in timed intervals. The system also facilitates wagering on horse races by allowing complex wagers beyond simple bets such as win, place, and show.

Currently, totalizator businesses are the only party involved in the racing industry that does not need a business license to operate in Oregon. Senate Bill 148 establishes a license requirement for these businesses, and directs the Oregon Racing Commission to establish administrative rules for issuing and renewing totalizator business licenses. The measure also establishes that violations are a misdemeanor, subject to a maximum penalty of one year in prison, a \$6,250 fine, or both.