

# Oregon Quarter Horse Racing Association Inc.

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## STATEMENT IN SUPPORT OF HB 2613

To the

HOUSE BUSINESS AND LABOR COMMITTEE

Prepared by Dave Nelson for the Board of Directors

OREGON QUARTER HORSE RACING ASSOCIATION

February 13, 2013

Chair Doherty, members of the committee the Oregon Quarter Horse Racing Association, Inc. strongly supports HB 2613. We thank you for your early consideration of this bill and urge your "do pass" recommendation to the House of Representatives.

Horse racing has been a popular sport and form of entertainment in Oregon since native Americans became mounted to travel, hunt and play. Pari-mutuel wagering on horse races was legalized in Oregon in the 1930's as a means of funding county fairs during the depression, and later for state services as specified by the legislature. The state and the racing industry were partners and at its peak the state received approximately \$6-7 million annually from racing for its General Fund.

In 1984 Oregonians approved the lottery and in 1991 the Legislature approved video poker as a way of getting more money from gambling. Approval of video poker opened the doors for Indian Casinos under terms of the federal Indian Gaming Regulatory Act (IGRA) and the race for gambling dollars began. The lottery put 50% of its video poker and then video slot machines in the tri-county area surrounding Portland Meadows; its former partner. Wagering at Portland Meadows slid as the competition became more intense seriously challenging its ability to survive.

Racing at Portland Meadows and county fairs provides employment for Oregonians, and an economic boost for Oregon of approximately \$200 million annually. Horses are big business in Oregon and racing is a major part of the Oregon horse industry. Farmers sell hay and grain to horse owners, Veterinarians, farriers, tack shops, western apparel stores, pick-up truck dealers and so on, all make a part of their living from horse owners, breeders, and trainers.

Faced with a similar situation Oaklawn Park in Arkansas developed a game based on historical horse races that fans can play between the live races that run about every 25 minutes. The games allow fans to wager 25 or 50 cents on archived historical races that have been run at Oaklawn Park or at other tracks around the country. The games have proven popular and given the industry the ability to generate additional revenue for purses for horsemen and women, and for operations. The games are pari-mutuel wagering games, meaning they are games based on skill and are wagers among the fans. The house takes a set percentage from each wager so the fans are not playing the house as they are in a casino.

HB 2613 clarifies that wagering on historical races is pari-mutuel wagering and gives the Oregon Racing Commission authority to regulate it. HB 2613 will help preserve the great tradition of horse racing and all that goes with it. The Oregon Quarter Horse Racing Association urges you to vote yes and support passage of HB 2613