77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session MEASURE: HB 2613 A STAFF MEASURE SUMMARY CARRIER: Sen. Beyer

Senate Committee on Business and Transportation

REVENUE: Revenue statement issued

FISCAL: No fiscal impact

Action: Do Pass the A-Engrossed Measure

Vote: 5 - 0 - 1

Yeas: Edwards, Girod, Monroe, Starr, Beyer

Nays: 0

Exc.: Thomsen

Prepared By: Patrick Brennan, Administrator

Meeting Dates: 5/16

WHAT THE MEASURE DOES: Allows certain race meet operators holding Class A license to conduct, at licensee's race facility, mutual wagering on previously held horse races. Specifies conditions for mutual wagering.

ISSUES DISCUSSED:

- History and current state of horse racing industry in Oregon
- Economic impact of horse racing and Portland Meadows
- Potential to attract a new generation of race fans
- Breeding cycle of quarter horses
- Previous successful efforts to revive horse racing at Portland Meadows

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: "Mutuel" wagering is a system by which wagers on the outcome of a race are placed into a wagering pool in which the participants are wagering with each other, rather than against the operator. Mutuel wagering at race courses in Oregon, as well as off-track mutuel wagering, are permitted under Oregon Laws 1987, Chapter 913.

In 2008, Portland Meadows requested that the Oregon Racing Commission allow it to add a form of wagering on historical horse races, through a program known as "Thoroughbred Mania," to its previously-approved race meet license. The Commission denied the request, in part on the grounds that Thoroughbred Mania is not considered a form of mutuel wagering permitted under Oregon law. The Commission also stated that its own authority to approve mutuel wagering on horse races was limited to live racing, either on-site or off-track, and that it had no authority to approve wagering on historical races. The Commission's decision was upheld by the Oregon Court of Appeals in 2009, on the basis that the Commission's authority was limited to live races.

House Bill 2613-A permits historical races as a form of mutuel wagering and expands the Oregon Racing Commission's jurisdiction over such wagering. The measure applies to holders of Class A mutuel wagering licenses, with the exception of organizations that fall under ORS 462.057(2), including the Pendleton Roundup, the Eastern Oregon Livestock Fair, the Pacific International Livestock Exposition, and county fairs; this has the result of applying the measure only to Portland Meadows.