

REVENUE: Minimal revenue impact, no statement issued

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	9 - 2 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thompson, Weidner, Witt, Doherty
Nays:	Freeman, Thatcher
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	2/21

WHAT THE MEASURE DOES: Specifies that a mutuel pool for live or previously held horse races may include amounts carried forward from the mutuel pool of previous races. Authorizes the Oregon Racing Commission to adopt rules to identify forms of mutuel wagering that race meet licensees may offer. Provides that devices used by race meet licensees to offer mutuel wagering in accordance with Commission rules are not considered slot machines or gray machines.

ISSUES DISCUSSED:

- Issues with statutory definitions raised during rulemaking to implement House Bill 2613 (2013)
- Allowing pool to carry forward similar to operation of Powerball
- Gray machines and slot machines will be limited to mutuel wagering
- Mutuel wagering is based on information, not random selection
- Whether number of machines should be limited 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 (2013) was enacted to permit historical races as a form of mutuel wagering and to expand the Oregon Racing Commission’s jurisdiction over such wagering. The measure applied only to Portland Meadows. Senate Bill 1537-A provides clarification to statutes governing mutuel wagering on historical races, as well as live races, by specifying that the mutuel pool may include amounts carried forward from mutuel pools on previous races. The measure also gives the Commission authority to adopt rules regarding the types of mutuel wagering that race meet licensees may offer, and clarifies that mutuel wagering devices are not considered slot machines or gray machines.

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This summary has not been adopted or officially endorsed by action of the committee.