



# Oregon

John A. Kitzhaber, MD, Governor

## Oregon Racing Commission

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February 6, 2015

House Committee on Business and Labor

Rep. Paul Holvey, Chair

Rep. Bill Kennemer, Vice-chair

Re: HB 2481

Committee Members:

The purpose of House Bill 2481 is to deter licensees from filing wholly frivolous appeals of a stewards' ruling. Currently there is no fee required in order to perfect an appeal. The imposition of a modest, refundable filing fee of \$50.00 will ensure that licensees have made a considered decision before filing. The proposal stems from a significant number of appeal filings in which the appellant, without notice to the agency, does not appear at the hearing and is defaulted. This has been the case in 11 of the past 20 appeals. The agency incurs legal fees and administrative law judge charges of approximately \$3,000.00 in each of these "no show" default cases. In addition to the direct cost agency investigators and stewards spend time preparing for the hearing, including conferring with counsel and appearing at the Portland State Office Building to testify.

The OHBPA, OTOBA, industry advocacy group Friends of Racing in Oregon Group (FROG) and all stakeholders were notified of this initiative. Discussion ensued and a consensus was reached that this proposal would likely solve the problem of frivolous appeals while also allowing any good faith appellant to pursue a remedy. The ORC feels strongly that no licensee should be denied an appeal or discouraged from filing an appeal based on an inability to pay the fee. Provisions are in place to protect the right to appeal by waiving the fee requirement when warranted. The fiscal impact of this measure is limited but not insignificant. Annual savings of \$10,000.00-\$15,000.00 may be realized by the agency and these funds would then be available to support the industry.

Thank you for your consideration.

John D. McGrail, Executive Director

