

Senate Bill 467

Sponsored by Senator THOMSEN (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes exchange wagering on forms of mutuel wagering allowed by Oregon Racing Commission.

Authorizes commission to regulate off-race course wagering on, and simulcast broadcasting of and wagering on, forms of mutuel wagering allowed by commission.

A BILL FOR AN ACT

1
2 Relating to mutuel wagering; amending ORS 462.301, 462.307, 462.328, 462.710, 462.725 and 462.740.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 462.301 is amended to read:

5 462.301. As used in ORS 462.301 to 462.340:

6 (1) "Back" means to wager on a selected outcome occurring in a given market.

7 (2) "Exchange" means a system operated by an exchange wagering licensee in which the ex-
8 change wagering licensee maintains one or more markets in which persons may back or lay a se-
9 lected outcome.

10 (3) "Exchange revenues" means all charges and fees assessed or collected by an exchange
11 wagering licensee in connection with the submission of any exchange wagers to the exchange
12 wagering licensee.

13 (4) "Exchange wagering" means a form of pari-mutuel wagering in which two or more persons
14 place identically opposing wagers in a given market.

15 (5) "Exchange wagering account" means an account held by a person participating in exchange
16 wagering and managed by an exchange wagering licensee, and may include an account established
17 with a Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub pursuant to ORS
18 462.725.

19 (6) "Exchange wagering licensee" means a person that holds an exchange wagering license is-
20 sued under ORS 462.313.

21 (7) "Exchange wagering system" means a system through which exchange wagers are processed.

22 (8) "Exchange wagers" means wagers submitted to an exchange wagering licensee to be posted
23 in a market on an exchange.

24 (9) "Identically opposing wagers" means wagers that one or more persons offer to lay on a se-
25 lected outcome at the same price at which one or more persons offer to back that same outcome,
26 with the amount subject to the lay being proportionately commensurate to the amount subject to the
27 back.

28 (10) "Interstate exchange pool" means an exchange wagering system established in this state
29 or in another jurisdiction and that combines unmatched wagers on one or more [*horse races*] **events**
30 in order to form identically opposing wagers.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (11) "Lay" means to wager on a selected outcome not occurring in a given market.

2 (12) "Market" means, in relation to a given [*horse race*] **event** or set of [*horse races*] **events**, a
3 particular outcome that is subject to exchange wagering as determined by an exchange wagering
4 licensee.

5 (13) "Matched wager" means the wager that is formed when two or more persons are confirmed
6 by an exchange wagering licensee as having placed identically opposing wagers in a given market
7 on an exchange.

8 (14) "Net winnings" means the aggregate amounts payable to a person as a result of that
9 person's winning matched wagers in a pool less the aggregate amount paid by that person as a re-
10 sult of that person's losing matched wagers in that pool.

11 (15) "Pari-mutuel" means any system in which wagers with respect to the outcome of [*a horse*
12 *race*] **an event** are placed with, or in, a wagering pool conducted by an authorized person, and in
13 which the participants are wagering with each other and not against the person conducting the
14 wagering pool.

15 (16) "Pool" means the total of all matched wagers in a given market.

16 (17) "Price" means the odds for a given exchange wager.

17 (18) "Unmatched wager" means a wager or portion of a wager placed in a given market on an
18 exchange that does not become part of a matched wager.

19 **SECTION 2.** ORS 462.307 is amended to read:

20 462.307. Notwithstanding any other provision of law or rule to the contrary, exchange wagering
21 by residents of this state and other jurisdictions on the results of horse races **or other forms of**
22 **mutuel wagering allowed under ORS 462.147 (2)** conducted in this state or other jurisdictions are
23 lawful, provided that:

24 (1) Exchange wagering may be conducted only by an exchange wagering licensee through an
25 exchange wagering system pursuant to an exchange wagering license issued under ORS 462.313;

26 (2) Exchange wagering must be conducted pursuant to and in compliance with the provisions
27 of the Interstate Horseracing Act of 1978, 15 U.S.C. 3001 to 3007, as amended, and ORS 462.301 to
28 462.340 and the rules adopted pursuant to ORS 462.301 to 462.340; and

29 (3) Exchange wagers must be submitted to and accepted by an exchange wagering licensee in
30 person, by telephone or by communication through other electronic means.

31 **SECTION 3.** ORS 462.328 is amended to read:

32 462.328. An exchange wager may be posted in a market after the start of [*a race*] **an event** if
33 so authorized by the Oregon Racing Commission by rule and agreed to by the [*race track or fair*]
34 **entity** that is conducting the [*race*] **event** on which the exchange wager is made.

35 **SECTION 4.** ORS 462.710 is amended to read:

36 462.710. (1) Any race meet licensee may make written application to the Oregon Racing Com-
37 mission to conduct off-race course mutuel wagering:

38 (a) On races held at the licensee's race course; [*or*]

39 (b) On races held at race courses outside this state[.]; **or**

40 (c) **On other forms of mutuel wagering allowed under ORS 462.147 (2).**

41 (2) The application shall be in such form, shall contain such information and shall be submitted
42 at such time and in such manner as the commission may require. Information required by the com-
43 mission may include, but is not limited to, a description of the facilities, equipment and method of
44 operation whereby the applicant proposes to conduct off-race course mutuel wagering activities.

45 (3) The commission shall authorize off-race course mutuel wagering upon such terms and con-

1 ditions regarding the time, location and manner of operation as the commission considers appropri-
2 ate. The commission may not authorize more than 20 locations for off-race course mutuel wagering
3 to be in operation at any one time and shall permit off-race course mutuel wagering only at an au-
4 thorized location. The commission may not authorize the conduct of off-race course mutuel wagering
5 at any time or place or in any manner that the commission determines would have substantial ad-
6 verse impact upon mutuel wagering on races held at a race course in this state. The commission
7 may not authorize a race meet licensee to conduct off-race course mutuel wagering within the
8 boundaries of any city or county that has adopted an ordinance prohibiting the conduct of that ac-
9 tivity within the city or county. The commission may not authorize a race meet licensee to conduct
10 off-race course mutuel wagering in any county with a population of less than 250,000 at a location
11 that is within 40 miles of any other location where another race meet licensee is conducting a live
12 race meet without written consent of the live race meet licensee.

13 (4) In addition to other grounds provided in this chapter, the commission may refuse to issue
14 or renew or may revoke or suspend the license of any race meet licensee, or any employee thereof,
15 for failure to comply with ORS 462.700 to 462.740 or commission rules.

16 (5) If a race meet licensee proposes to conduct off-race course mutuel wagering at a physical
17 facility separate from the race course:

18 (a) Individuals working at the separate facility must obtain a license for such employment from
19 the commission if the individuals are performing duties for which a license would be required if the
20 duties were performed at a race course. The fee for any such license shall be the same as the fee
21 for the license required if the individual were working at a race course.

22 (b) ORS 462.080, 462.190 and 462.195 apply to the race meet licensee and to individuals at the
23 facility in the same manner as if the mutuel wagering activity were being conducted at a race
24 course.

25 (6) In addition to other requirements of ORS 462.700 to 462.740, the commission may authorize
26 a race meet licensee to conduct off-race course mutuel wagering on a particular race that is held
27 at a race course outside this state subject to the following conditions:

28 (a) The commission may authorize only one race meet licensee, that is the holder of a license
29 under ORS 462.062 or 462.067, to conduct off-race course mutuel wagering on the race.

30 (b) The commission may authorize such off-race course mutuel wagering to be conducted at the
31 licensee's race course and any off-race course wagering site approved by the commission.

32 (c) The commission may authorize a race meet licensee to conduct off-race course mutuel
33 wagering on either horse races or greyhound races, except that:

34 (A) A horse race meet licensee may conduct off-race course mutuel wagering on greyhound
35 races only if there is no active greyhound race meet licensee; and

36 (B) A greyhound race meet licensee may conduct off-race course mutuel wagering on horse races
37 only if there is no active horse race meet licensee.

38 (d) If a licensee applies for authority to conduct mutuel wagering on horse races held at race
39 courses outside this state, the commission may require that the licensee provide such evidence as
40 the commission considers appropriate regarding the ability of the licensee to comply with the
41 Interstate Horseracing Act of 1978, 15 U.S.C. 3001 to 3007, as amended.

42 **SECTION 5.** ORS 462.725 is amended to read:

43 462.725. (1) Notwithstanding any other provision of this chapter, the Oregon Racing Commission
44 may adopt rules to:

45 (a) License and regulate all phases of operation of Multi-Jurisdictional Simulcasting and Inter-

1 active Wagering Totalizator Hubs located in Oregon; and

2 (b) Authorize and license Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator
 3 Hubs to conduct simulcast broadcasting of, and mutuel wagering on, animal races, including previ-
 4 ously held races on which mutuel wagering is lawful in Oregon, **or on other forms of mutuel**
 5 **wagering allowed under ORS 462.147.**

6 (2) In addition to the other rules of operation adopted by the commission, the commission shall
 7 adopt a rule setting the amount that may be taken from the gross receipts of the multi-jurisdictional
 8 mutuel system.

9 (3) All employees working in Oregon and all officers of any Multi-Jurisdictional Simulcasting
 10 and Interactive Wagering Totalizator Hubs located and operating in Oregon must obtain a license
 11 from the commission prior to the commencement of business or employment. The commission shall
 12 adopt rules establishing license fees for the employees and officers, not to exceed \$30 per year.

13 (4) Payments to be made to the commission include:

14 (a) Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub license fee not
 15 more than \$200 per operating day.

16 (b) Not more than one percent of total gross receipts of mutuel wagering recorded by the
 17 totalizator system.

18 (5) Of the moneys received by the commission under subsection (4)(b) of this section, 25 percent
 19 shall be paid to the State Treasurer for deposit in the General Fund and 75 percent shall be retained
 20 by the commission. The commission may adopt rules under which the moneys retained by the com-
 21 mission may be distributed for the benefit of the Oregon pari-mutuel racing industry.

22 **SECTION 6.** ORS 462.740 is amended to read:

23 462.740. (1) In accordance with ORS chapter 183, the Oregon Racing Commission shall
 24 promulgate rules to carry out the provisions of ORS 462.700 to 462.740. Such rules shall be designed
 25 to promote the best interests and the good conduct of racing **and mutuel wagering**, with due regard
 26 for the public health, safety and welfare.

27 (2) In order to provide for the lawful operation of off-race course mutuel wagering for wagering
 28 on horse races at race courses outside this state, the commission is authorized to enter into con-
 29 tracts or agreements with other governmental or private agencies or associations and to perform
 30 all other acts necessary to comply with the Interstate Horseracing Act of 1978, 15 U.S.C. 3001 to
 31 3007, as amended.

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