



Testimony in Opposition to Senate Bill 1504
Submitted by Richard Angstrom
Senate Judiciary and Ballot Measure 110 Implementation Committee
On Behalf of Oregon Quarter Horse Racing Association and Oregon Horsemen's Benevolent & Protective Association

Chair Prozanski, members of the Senate Judiciary and Ballot Measure 110 Implementation Committee, I urge you to oppose Senate Bill 1504 which bans all forms of gambling on greyhound racing in Oregon but comes with a significant financial impact to Oregon's Racing Commission and the programs it supports.

As background, Oregon currently does not have greyhound track racing. Greyhound racing occurs in other states such as Arkansas, Alabama, West Virginia, Texas and Iowa. Oregon does allow betting on races held elsewhere in the country through the use of multijurisdictional Advanced Deposit Wagering Hubs (ADW) that Oregon leads the nation in.

The Oregon Legislature created the ADW system in the late 1990s. Since then, Oregon has become the gold standard for regulating ADWs and their processing centers. How this works is important to understand the impacts of SB 1504. If a person in Nebraska wants to place a wager on the Kentucky Derby, he or she can log on to an ADW and place their bet which is processed by the ADW's computer in Oregon (generally the Portland area) and routed to Churchill Downs in Kentucky. There are 9 ADW's located in Oregon including Churchill Downs, TVG, Express Bet and so on. The bills allowing the use of ADWs were brought to the Legislature by Mike Dewey and Keith Burns on behalf of Multnomah Kennel Club and Dave Nelson on Behalf of Portland Meadows back in the 1990's.

Three to five of the ADWs handle greyhound wagering. They each pay the Oregon Racing Commission a licensing fee of \$200 per day and a tax of 1/8th of 1% up to a cap of \$3-400,000 on wagers processed. Those funds pay for the Commissions operating budget, support the county fairs racing operations, and provide funds for horse racing organizations to supplement purses at county fairs and the Grants Pass race meet.

Passage of SB 1504 would not affect greyhound racing but would eliminate wagering in state. The ADW businesses would be forced to move out of Oregon in order to continue operations. Loss of the revenue generated by these ADWs on their horse racing handle (wagers) would materially affect the Racing Commissions' budget, dry up important funding for county fair horse racing events and will likely lead to eliminating horse racing in Oregon.

Because of the collateral affects not apparent on the face of this bill, we again urge this Committee not to support this bill during the short session when it has significant impact on Oregon's Racing Commission, County Fairs, and thousand of horse men and women across the state.

Thank you for your time and attention to this bill.