

SB 77 STAFF MEASURE SUMMARY
House Committee On Business and Labor

Carrier: Rep. Bonham

Action Date: 05/20/19

Action: Do pass and rescind subsequent referral to Rules.

Vote: 10-0-1-0

Yeas: 10 - Barker, Barreto, Boles, Bonham, Boshart Davis, Bynum, Clem, Doherty, Evans, Fahey

Exc: 1 - Holvey

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Jan Nordlund, LPRO Analyst

Meeting Dates: 4/29, 5/20

WHAT THE MEASURE DOES:

Enables the Oregon Racing Commission to authorize and license Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hubs to conduct simulcast broadcasting and pari-mutuel wagering on previously held races. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Oregon's status as national regulator of online, advance deposit, pari-mutuel wagering
- Impact of lottery and casino gaming on horse racing
- Revenue from racing supports five fair meets around the state

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

“Pari-mutuel” wagers are bets made on the outcome of a race. The bets go into a pool managed by an operator, who has no stake in the outcome of the race. The operator deducts a set percentage from the pool and distributes the remainder to the winning patrons. The Oregon Racing Commission (ORC) regulates all aspects of the pari-mutuel industry in Oregon. Instant Racing allows patrons to wager on over 200,000 previously held races using an electronic system that withholds all identifying information until after the wager has been placed. Instant Racing was approved by the ORC in 2003. The Oregon Court of Appeals found in a 2009 case that Oregon’s mutuel wagering statute was limited to live racing events. House Bill 2613 (2013) authorized certain race meet operators to conduct pari-mutuel wagering on previously held races.

The ORC currently licenses ten multi-jurisdictional simulcasting and interactive wagering totalizator hubs, which are businesses that allow subscribers to make pari-mutuel wagers on simulcast races. One quarter of funds the ORC receives from multi-jurisdictional hubs are dedicated to the State General Fund. Senate Bill 77 allows multi-jurisdictional hubs to conduct pari-mutuel wagering on simulcasted, previously held races.