

# Senate Bill 871

Sponsored by Senator COURTNEY

## 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**.

Prohibits person from holding, or entering equine in, exhibition of equine racing in this state. Provides that violation is subject to maximum of 364 days' imprisonment, \$6,250 fine, or both.

## A BILL FOR AN ACT

1  
2 Relating to animal racing; creating new provisions; amending ORS 462.020, 462.030, 462.040, 462.050,  
3 462.057, 462.067, 462.073, 462.110, 462.125, 462.140, 462.142, 462.147, 462.415, 462.510, 462.520 and  
4 462.710; and repealing ORS 462.062, 462.065, 462.072, 462.127, 462.130, 462.155, 462.301, 462.304,  
5 462.307, 462.310, 462.313, 462.316, 462.319, 462.322, 462.325, 462.328, 462.331, 462.334, 462.337 and  
6 462.340.

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

8 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS chapter 462.**

9 **SECTION 2. (1) As used in this section, "equine" has the meaning given that term in ORS**  
10 **30.687.**

11 **(2) A person may not hold, or enter an equine in, an exhibition of equine racing in this**  
12 **state.**

13 **SECTION 3. ORS 462.020 is amended to read:**

14 462.020. (1) A person may not hold a race meet without having first obtained and having in full  
15 force and effect a license therefor issued by the Oregon Racing Commission.

16 (2) A trainer, [*driver, jockey, apprentice jockey, horse owner,*] dog owner, exercise person, agent,  
17 authorized agent, [*jockey's agent, stable foreman, groom, valet,*] veterinarian, [*horseshoer,*] steward,  
18 [*stable guard,*] starter, timer, judge or other person acting as a participant or official at any race  
19 meet, including all employees of the pari-mutuel department, may not participate in race meets  
20 without having first obtained and having in full force and effect a license issued by the commission,  
21 pursuant to such rules as the commission shall make. The commission by rule may require other  
22 employees of a race meet licensee who are engaged in or performing duties at the race course to  
23 obtain a license issued by the commission prior to engaging or performing such duties. The com-  
24 mission by rule may also require persons, including corporations, who are not employees of a race  
25 meet licensee, but who are authorized to do business at the race course, to obtain a license issued  
26 by the commission prior to conducting such business.

27 (3) A person may not operate a public training track or public kennel for greyhounds partic-  
28 ipating in a race meet without having first obtained and having in full force and effect a license  
29 issued by the commission.

30 (4) The commission may require each applicant for a license to be photographed and shall re-  
31 quire each applicant to be fingerprinted as part of the licensing procedure for the purpose of re-

**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 requesting a state or nationwide criminal records check under ORS 181A.195.

2 (5) Each person holding a license under this chapter shall comply with all rules and orders of  
3 the commission.

4 (6) Notwithstanding the requirements of subsection (2) of this section, the commission, upon re-  
5 ceipt of a written application for a license on forms provided by the commission, may in its sound  
6 discretion issue a temporary license valid for a period not to exceed 10 days pending final approval  
7 or disapproval of the written application for a license.

8 **SECTION 4.** ORS 462.030 is amended to read:

9 462.030. No person is eligible to operate a race meet with a license issued under this chapter  
10 unless the person is the owner or controls the possession of a properly constructed race track  
11 suitable for [*the class of*] races which are proposed to be conducted at such race track and improved  
12 with safe and suitable grandstands, equipped with reasonably sanitary accommodations, adequate  
13 stables for livestock together with adequate fire protection equipment, and such other proper im-  
14 provements as in the judgment of the Oregon Racing Commission may be required, taking into con-  
15 sideration the location of such race track and the probable capacity requirements to accommodate  
16 the crowd and the number of people that will reasonably be expected to occupy the grandstands and  
17 attend the race meets.

18 **SECTION 5.** ORS 462.040 is amended to read:

19 462.040. (1) Race meet licenses granted by the Oregon Racing Commission shall be limited to[:]

20 [*(a) Licenses for horse and mule race meets (Class A).*]

21 [*(b) licenses for greyhound race meets [(Class B)].*]

22 [*(2)(a) Except as the commission otherwise may provide by rule, no licensee shall be granted li-*  
23 *licenses of both classes nor shall licenses be issued for more than one class of racing on the same race*  
24 *course, track or location.*]

25 [*(b) In adopting rules to carry out the provisions of this subsection, the commission shall consider,*  
26 *among other matters, the impact on existing race meet licensees in the county in which application for*  
27 *a license referred to in paragraph (a) of this subsection is made.*]

28 [(3)] (2) The commission shall not grant any license for greyhound racing at the Oregon State  
29 Fair.

30 [(4)] (3) The license shall specify the number of days the race meet shall continue and the  
31 number of races per day.

32 **SECTION 6.** ORS 462.050 is amended to read:

33 462.050. (1) Every person making application for a license to hold a race meet shall file the ap-  
34 plication with the Oregon Racing Commission. The application shall set forth the time, place and  
35 number of days the applicant desires the meet to continue, together with the applicant's estimate  
36 of the daily average payment that the applicant will pay to the state upon the gross amount of  
37 money wagered per day and such other information as the commission may require.

38 (2) The commission may, in its discretion, require a performance bond in an amount not to ex-  
39 ceed \$10,000, to insure that the licensee operates a race meet on the license days granted.

40 (3) The application shall be accompanied by a check on a financial institution maintaining an  
41 office and licensed to do business in Oregon in an amount equal to the license fee, exclusive of re-  
42 quired percentage payments, required for the number of days for which the license is requested. If  
43 the license is not granted, such deposit shall be returned promptly to the applicant. If the license  
44 is granted, but for fewer days than applied for, the excess of the daily deposit shall be returned  
45 promptly to the applicant.

1 (4) No applicant designated in ORS 462.057 is eligible for a return of the license fee unless a  
2 race meet license is not granted.

3 (5) When a licensee under ORS [462.062 or] 462.067 is prevented from conducting a race meet  
4 for the authorized number of days, the commission, upon written request therefor, may refund to the  
5 licensee the daily license fee based upon the number of days lost for good cause shown. The com-  
6 mission is the sole judge of good cause.

7 (6) In order to assist the commission in determining whether there has been compliance with  
8 ORS 462.075 (1)(h), (2)(a) and (4):

9 (a) The commission may require each holder of a license under ORS [462.062 or] 462.067 to  
10 submit annually to the commission audited financial statements.

11 (b) Each licensee under ORS [462.062 or] 462.067 shall make available to the commission for  
12 examination and audit at all reasonable times, upon notice to the licensee by the commission, com-  
13 plete and accurate financial records of the licensee's operations, including the financial records of  
14 any other corporation or business entity owned or controlled by the same parent corporation or  
15 individual as the licensee that provides services related to the licensee's operations.

16 **SECTION 7.** ORS 462.057 is amended to read:

17 462.057. (1) A race meet licensee designated in subsection (2) of this section shall make payments  
18 as follows:

19 (a) License fee - \$25 per fiscal year payable to the Oregon Racing Commission.

20 (b) [A percentage] **1.6 percent** of gross mutuel wagering shall be paid to the commission [as  
21 follows:] **if the race meet is for greyhounds.**

22 [(A) *If the race meet is for horses or mules - one percent.*]

23 [(B) *If the race meet is for greyhounds - 1.6 percent.*]

24 [(c) *If the race meet is for horses or mules and the average daily gross mutuel wagering during the*  
25 *preceding fiscal year exceeded \$150,000, a percentage of the gross mutuel wagering shall be paid as*  
26 *follows:]*

27 [(A) *To purses - such amount, subject to prior approval by the commission, as the race meet*  
28 *licensee and the horse owners, or mule owners if the race is for mules, may agree upon, plus an ad-*  
29 *ditional 0.1 percent. The additional 0.1 percent shall not become part of the regular purse account but*  
30 *shall be used only to supplement purses of races consisting exclusively of Oregon bred horses or*  
31 *mules;]*

32 [(B) *To the Oregon Thoroughbred Owners and Breeders Association, Incorporated, purse supple-*  
33 *ments for owners of Oregon bred thoroughbred horses - one percent of gross mutuel wagering on*  
34 *thoroughbred horse races, to be apportioned among the owners in the same ratio that each owner's*  
35 *purses for Oregon bred thoroughbred horses for the race meet bears to the total purses for Oregon bred*  
36 *thoroughbred horses for the race meet;]*

37 [(C) *To the Oregon Quarter Horse Racing Association, Incorporated, purse supplements for owners*  
38 *of Oregon bred quarter horses - one percent of gross mutuel wagering on quarter horse races, to be*  
39 *apportioned among the owners in the same ratio that each owner's purses for Oregon bred quarter*  
40 *horses for the race meet bears to the total purses for Oregon bred quarter horses for the race meet;]*

41 [(D) *To each association of horse or mule owners, trainers or breeders recognized by the commis-*  
42 *sion as representing the other breeds of horses or mules not designated in subparagraphs (B) and (C)*  
43 *of this paragraph, purse supplements for owners of other Oregon bred horses or mules, not designated*  
44 *in subparagraphs (B) and (C) of this paragraph, one percent of gross mutuel wagering for races of*  
45 *other horses or mules, to be apportioned among the owners in the same ratio that each owner's purses*

1 for other Oregon bred horses or mules for the race meet bears to the total purses for other Oregon bred  
 2 horses or mules for the race meet;]

3 [(E) Subject to prior approval of the commission, each horse or mule owners, trainers or breeders  
 4 association designated in subparagraphs (B), (C) and (D) of this paragraph may use a portion of the  
 5 purse supplements as operating expenses only for receipt, handling and payment of these funds; and]

6 [(F) To a special track fund to be used primarily for improving the race track facilities benefiting  
 7 the horse and mule owners, trainers or breeders in the barn area - 0.2 percent. All such funds shall  
 8 be retained by the licensee in a separate account from all other funds and no disbursements or transfers  
 9 shall be made therefrom without prior approval of the commission. All physical improvements paid  
 10 from such funds shall satisfy reasonable fire, health, quality and construction standards established  
 11 or approved by the commission. Unless the commission provides otherwise, such improvements shall  
 12 be made on the race course where the race meet which created the fund was held.]

13 [(d)] (c) If the race meet is for greyhounds, a percentage of the gross mutuel wagering shall be  
 14 paid as follows:

15 (A) To a special fund to be used primarily for the development and operation of a training track  
 16 and related facilities upon which to train greyhounds - 0.1 percent. All such funds shall be retained  
 17 by the licensee in a separate account from all other funds and no disbursements or transfers shall  
 18 be made therefrom without prior approval of the commission. All physical improvements paid from  
 19 such funds shall satisfy reasonable fire, health, quality and construction standards established or  
 20 approved by the commission. Unless the commission provides otherwise, such improvements shall  
 21 be made on the race course of the race meet licensee; and

22 (B) To the Oregon Greyhound Breeders Association, Incorporated, purse supplements for owners  
 23 of Oregon bred greyhounds - 0.5 percent of gross mutuel wagering, to be apportioned among the  
 24 owners, in accordance with the rules of the commission and subject to approval by the commission,  
 25 in the same ratio that each owner's purses for Oregon bred greyhounds for the race meet bears to  
 26 the total purses for Oregon bred greyhounds for the race meet.

27 (2) Licensees subject to the provisions of this section are:

28 (a) The Pendleton Roundup.

29 (b) The Eastern Oregon Livestock Fair.

30 (c) The Pacific International Livestock Exposition.

31 (d) Any county fair.

32 (e) All other nonprofit, fair-type associations which conducted a licensed race meet in calendar  
 33 year 1968 or 1969.

34 (f) The Pine Valley Fair Association.

35 **SECTION 8.** ORS 462.067 is amended to read:

36 462.067. All licensees of race meets except those subject to ORS 462.057 [and 462.062] shall make  
 37 payments as follows:

38 (1) License fee - \$100 per racing day, payable to the Oregon Racing Commission.

39 (2) Percentage of gross mutuel wagering payable to the commission - 1.6 percent.

40 (3) Percentage of gross mutuel wagering on greyhound races payable to the Oregon Greyhound  
 41 Breeders Association, Incorporated - 0.5 percent for purse supplements for owners of Oregon bred  
 42 greyhounds, to be apportioned among the owners, in accordance with the rules of the commission  
 43 and subject to approval by the commission, in the same ratio that each owner's purses for Oregon  
 44 bred greyhounds for the race meet bears to the total purses for Oregon bred greyhounds for the race  
 45 meet. Subject to the prior written approval of the commission, the Oregon Greyhound Breeders As-

1 sociation, Incorporated, may use a portion of the funds received pursuant to this section and ORS  
 2 462.057 [(1)(d)(B)] (1)(c)(B) to offset expenses for receipt, accounting, handling and payment of those  
 3 funds.

4 (4) To a special fund to be used primarily for the development and operation of a training track  
 5 and related facilities upon which to train greyhounds - 0.1 percent. All such funds shall be retained  
 6 by the licensee in a separate account from all other funds and no disbursements or transfers shall  
 7 be made therefrom without prior approval of the commission. All physical improvements paid from  
 8 such funds shall satisfy reasonable fire, health, quality and construction standards established or  
 9 approved by the commission. Unless the commission provides otherwise, such improvements shall  
 10 be made on the race course of the race meet licensee.

11 **SECTION 9.** ORS 462.073 is amended to read:

12 462.073. (1) Every licensee who conducts a race meet shall carry on the books for each race  
 13 meet an account to be known as the Unclaimed Winnings Account showing the total amount due  
 14 on outstanding winning mutuel wagering tickets and refund tickets not presented for payment. All  
 15 funds in the Unclaimed Winnings Account shall be retained by the licensee and deposited in a sep-  
 16 arate account from all other funds in a bank maintaining an office located in and licensed to do  
 17 business in Oregon. No payments shall be made by the licensee from this account except to a person  
 18 who presents a valid, clearly identifiable winning or refund ticket. A statement of the balance of the  
 19 Unclaimed Winnings Account shall be furnished to the Oregon Racing Commission within 72 hours  
 20 after any change in the account balance during the race meet and, after the completion of the race  
 21 meet, within five days following the last day of each month in which there is any change in the  
 22 account balance.

23 (2) Any person claiming to be entitled to any part of winnings or refunds from a mutuel  
 24 wagering system operated by a licensee, who fails to claim the money due prior to the completion  
 25 of the race meet at which the mutuel wagering or refund ticket was purchased, may, within 90 days  
 26 after the close of the meet, file with the licensee a claim, in such form as the commission shall  
 27 prescribe, accompanied by the valid winning or refund ticket. If the claimant establishes the right  
 28 to winnings or refunds from the mutuel wagering system, the licensee shall pay such moneys to the  
 29 claimant. At the expiration of such 90-day period, the holder of such a winning or refund ticket shall  
 30 possess no right to any portion of the wagering or refund and the ticket shall be deemed void.

31 (3) One hundred twenty days after the close of a race meet conducted by a licensee under this  
 32 chapter, an amount equal to the outstanding balance of the Unclaimed Winnings Account shall be  
 33 paid to the commission, which shall immediately deposit such moneys in the General Fund in the  
 34 State Treasury to the credit of the Oregon Racing Commission Account. The licensee shall be sub-  
 35 ject to a civil penalty of not less than \$25 per day after 120 days for failure to pay moneys due to  
 36 the commission in accordance with this subsection. Civil penalties under this subsection shall be  
 37 imposed as provided in ORS 183.745.

38 (4) Notwithstanding the provisions of subsections (2) and (3) of this section, if a continuous race  
 39 meet is designated by the commission, the 90-day period referred to in subsection (2) of this section  
 40 shall commence after the close of the continuous race meet at the race course.

41 (5) Notwithstanding the provisions of subsection (2) of this section, if the 90th day prescribed  
 42 therein falls upon a Saturday, Sunday or legal holiday, then the holder shall file such claim with the  
 43 licensee on the first business day thereafter.

44 (6) Notwithstanding the provisions of subsection (3) of this section, a race meet licensee who  
 45 holds a license under ORS 462.057 shall retain that licensee's unclaimed winnings to finance physical

1 improvements to the licensee's race course facility and enclosure. This subsection does not apply to  
 2 the unclaimed winnings from those race meets which the licensee holds at the race course of a  
 3 licensee who is the holder of a license under ORS [462.062 or] 462.067.

4 **SECTION 10.** ORS 462.110 is amended to read:

5 462.110. (1) For the protection of the public, and all members thereof, the exhibitors and visitors,  
 6 every race meet licensee shall carry public liability insurance written on an approved form by a  
 7 company licensed to do business in Oregon and in an amount approved by the Oregon Racing  
 8 Commission.

9 (2) Every person licensed to conduct a race meet shall provide and deliver to the commission  
 10 a bond signed by a surety company authorized to do business in Oregon in such form as is required  
 11 by the commission and in an amount determined by the commission. The bond shall be conditioned  
 12 that the licensee will pay to the state all moneys due it under this chapter, including moneys which  
 13 escheat pursuant to ORS 462.073 and any fines imposed by any court or by any state agency; to  
 14 [horsemen or] greyhound owners, all moneys owing and all moneys required to be paid for  
 15 breakage[,] and purses [and Oregon-bred purse supplements]; to persons presenting valid winning  
 16 tickets, the amounts owing to them; and to the [special track fund or] training track fund, all moneys  
 17 required to be paid to those funds by statute or rule. In lieu of a surety bond the commission may  
 18 accept a certificate of deposit, an irrevocable letter of credit, or equivalent which will assure that  
 19 the obligations described above are paid, up to the designated amount.

20 (3) The Attorney General or the district attorney of the county wherein the race meet is held  
 21 shall prosecute all actions on such bonds on behalf of the state.

22 (4) Any person having a claim against the licensee for any obligation covered by the bond or  
 23 bond substitute, except cause of action covered by public liability insurance, may prosecute the same  
 24 in an action in behalf of the claimant brought in the name of the state for the use and benefit and  
 25 at the expense of such claimant. The court may award reasonable attorney fees to the prevailing  
 26 party in an action under this subsection. If the amount of the bond or bond substitute is insufficient  
 27 to cover all obligations, amounts owing to and for the benefit of the state pursuant to ORS 462.073  
 28 (3) shall have priority over any other claims. No action may be brought for recovery on the bond  
 29 or bond substitute unless written notice of the claim is made to the commission and to the race meet  
 30 licensee within 120 days after the last day of the race meet or continuous race meet in which the  
 31 obligation arose. The notice must be by registered mail, certified mail with return receipt or per-  
 32 sonal service to the licensee or to the licensee's registered agent. Any action for recovery on the  
 33 bond or bond substitute must be brought no earlier than 60 days and no later than 180 days after  
 34 service of the written notice on the race meet licensee or on the licensee's registered agent. These  
 35 limitations shall not apply to claims for valid winning tickets if the claimant has made a timely  
 36 claim pursuant to ORS 462.073 (2).

37 *[(5) Every person licensed to conduct a race meet for horses shall carry insurance to protect jockeys  
 38 and, if appropriate, drivers. The type, form and amount of insurance, and the carrier, must be approved  
 39 by the commission.]*

40 **SECTION 11.** ORS 462.125 is amended to read:

41 462.125. (1) The Oregon Racing Commission shall determine the number [and classes] of race  
 42 meets to be held in any fiscal year, and the total number of racing dates to be granted to a licensee  
 43 subject to provisions of ORS [462.062 and] 462.067. Not more than 350 days of racing, exclusive of  
 44 racing days authorized to designated licensees pursuant to subsection (5) of this section, shall be  
 45 held in any metropolitan area in any fiscal year. A licensee shall conduct at least 720 live races

1 under the license during each fiscal year race meets are held under the license. [*The commission*  
 2 *may reduce the number of races required under this section upon application by a horsemen's associ-*  
 3 *ation that negotiates with the race meet licensee.*]

4 (2) If a licensee under ORS [462.062 or] 462.067 fails, for good cause, to complete all of the al-  
 5 located days in a licensed race meet or if the commission does not receive and approve license ap-  
 6 plications for all of the days allocated to [*either class of*] racing, the commission may add the unused  
 7 or unallocated days no later than June 30 of the following fiscal year, to the racing days allocated  
 8 to and available to the licensee or, in the discretion of the commission, to any other licensee [*of*  
 9 *either class*] of racing in the metropolitan area. Additional race days allocated under this subsection  
 10 are exempt from the limit of 350 days of racing in a fiscal year imposed by subsection (1) of this  
 11 section. The additional racing days granted by the commission to any eligible licensee may not ex-  
 12 ceed the total of the unused or unallocated racing days in any one fiscal year.

13 (3) If an emergency occurs on the day of racing, and a night racing program runs past the hour  
 14 of midnight, such time after midnight is not considered an additional racing day.

15 (4) As used in subsections (1) and (2) of this section, "metropolitan area" means:

16 (a) Multnomah, Clackamas and Washington Counties.

17 (b) Marion and Polk Counties.

18 (c) Linn and Benton Counties.

19 (d) A county other than those designated in paragraphs (a), (b) and (c) of this subsection.

20 (5) Each licensee designated in ORS 462.057 may be granted up to 12 days of [*horse, mule or*]  
 21 greyhound racing to be held within the county in which the licensee holds its fair or show or at a  
 22 race course owned by a governmental agency or a nonprofit corporation in an adjoining county. If  
 23 a licensee does not use all of the licensee's allocated race days during the fiscal year, the commis-  
 24 sion, in the commission's discretion, may allow that licensee to use the leftover days in the next  
 25 fiscal year. If a licensee referred to in this subsection wishes to make application to the commission  
 26 to schedule racing days that conflict with racing days previously scheduled by another such  
 27 licensee, at least 30 days prior to the date of a meeting of the commission, the governing bodies of  
 28 the applicant and the previous licensee shall meet at a time and place prescribed by the previous  
 29 licensee to discuss the applicant's proposed racing day schedule. The conclusion of the parties re-  
 30 garding the proposals for conflicting racing days and the matters upon which the parties agree or  
 31 disagree shall be reduced to writing signed by the parties and submitted to the commission not later  
 32 than 14 days prior to a meeting of the commission. The commission may approve or disapprove  
 33 proposals for conflicting racing days upon such terms and conditions as the commission considers  
 34 appropriate.

35 (6) The commission may not grant a license for any race meet within a county for dates that  
 36 conflict with racing dates granted to the county fair of such county.

37 [*(7) The commission may not grant a licensee that is subject to ORS 462.062 a license for a race*  
 38 *meet for a date that conflicts with a race meet date granted to a licensee that is subject to ORS 462.057,*  
 39 *unless the commission has the consent of the licensee that is subject to ORS 462.057. This subsection*  
 40 *applies only if the licensee that is subject to ORS 462.057 held a race meet during the 2002 calendar*  
 41 *year on a date substantially similar to the date that is the subject of the conflict. A licensee that is*  
 42 *subject to ORS 462.057 may not unreasonably withhold consent under this subsection.*]

43 **SECTION 12.** ORS 462.140 is amended to read:

44 462.140. (1) A person may not conduct or commit, attempt or conspire to conduct or commit pool  
 45 selling, bookmaking, or circulate handbooks, or bet or wager on any licensed race meet, other than

1 by the mutuel method. All moneys wagered in Oregon must be accounted for through a computerized  
 2 mutuel wagering system in use by an operating race meet in this state and approved by the Oregon  
 3 Racing Commission. Wagering into pools outside of Oregon via telephone or other device is prohib-  
 4 ited unless the wagering information is transmitted by a licensee that conducts off-race course  
 5 mutuel wagering pursuant to ORS 462.700 to 462.740.

6 (2) A race meet licensee may not take more than 22 percent of the gross receipts of any mutuel  
 7 wagering system subject to approval by the commission.

8 (3) A race meet licensee shall compute breaks in the mutuel system at 10 cents for each dollar  
 9 wagered in a specific mutuel pool except, when the breaks in the mutuel system compute to less  
 10 than 10 cents total for each dollar wagered, the race meet licensee shall compute the breaks on that  
 11 specific mutuel pool at five cents. When the breaks in the mutuel system compute at 10 cents or  
 12 more for each dollar wagered, the race meet licensee shall pay in increments of 10 cents for each  
 13 dollar wagered. When the breaks in the mutuel system compute to less than 10 cents for each dollar  
 14 wagered, the race meet licensee shall pay five cents for each dollar wagered. *[For horses, 45 percent*  
 15 *of the breaks shall be retained by the licensee.]* For greyhounds, 33-1/3 percent shall be retained by  
 16 the licensee. The other *[55 percent for horses and]* 66-2/3 percent for greyhounds shall be paid **by a**  
 17 **licensee of a race meet for greyhounds** as follows:

18 *[(a) For thoroughbred horse races, to the Oregon Thoroughbred Owners and Breeders Association,*  
 19 *Incorporated, to be used by that association subject to prior approval of the commission, in such*  
 20 *amounts and for such of the following purposes as the association deems desirable:]*

21 *[(A) For breeders awards;]*

22 *[(B) For stallion awards;]*

23 *[(C) For education of the members of the association and other horsemen regarding the breeding*  
 24 *and racing of thoroughbred horses; or]*

25 *[(D) For the promotion and development of thoroughbred horse breeding and racing in Oregon.]*

26 *[(b) For quarter horse races, to the Oregon Quarter Horse Racing Association, Incorporated, to be*  
 27 *used by that association subject to prior approval of the commission, in such amounts and for such of*  
 28 *the following purposes as the association deems desirable:]*

29 *[(A) For breeders awards;]*

30 *[(B) For stallion awards;]*

31 *[(C) For education of the members of the association and other horsemen regarding the breeding*  
 32 *and racing of quarter horses; or]*

33 *[(D) For the promotion and development of quarter horse breeding and racing in Oregon.]*

34 *[(c) For races for any other horses not designated in paragraphs (a) and (b) of this subsection, to*  
 35 *each association of horsemen recognized by the commission as representing the other breeds of horses,*  
 36 *to be used by that association subject to prior approval of the commission, in such amounts and for*  
 37 *such of the following purposes as each recognized association deems desirable:]*

38 *[(A) For breeders awards;]*

39 *[(B) For stallion awards;]*

40 *[(C) For education of the members of the association and other horsemen regarding the breeding*  
 41 *and racing of horses; or]*

42 *[(D) For the promotion and development of horse breeding and racing in Oregon.]*

43 *[(d) By a licensee of a race meet for greyhounds:]*

44 *[(A)] (a) One-half thereof to augment purses subject to reasonable regulations prescribed by the*  
 45 *commission.*

1        ~~[(B)]~~ **(b)** The other one-half thereof for benefit and improvement of the breeding, ownership,  
 2 training and racing of greyhounds in Oregon, subject to reasonable regulations prescribed by the  
 3 commission. Included, but not by way of limitation, would be payment of purses for maiden gradu-  
 4 ation or special schooling races without wagering, and construction and operation of one or more  
 5 appropriate public training facilities within the state. All such funds shall be retained by the  
 6 licensee in an account separate from all other funds, and no disbursements or transfers shall be  
 7 made therefrom without prior approval of the commission.

8        **SECTION 13.** ORS 462.142 is amended to read:

9        462.142. (1) In addition to mutuel wagering otherwise authorized by this chapter, account  
 10 wagering may be conducted upon such conditions as the Oregon Racing Commission determines  
 11 appropriate. The commission may authorize only a race meet licensee who is the holder of a license  
 12 issued under ORS 462.057~~], 462.062]~~ or 462.067 to conduct account wagering.

13        (2) As used in this section, “account wagering” means a form of mutuel wagering in which an  
 14 individual may deposit money in an account with a race meet licensee and then use the account  
 15 balance to pay for mutuel wagering conducted by the licensee. An account wager must be made in  
 16 person by the holder of the account at the race course.

17        **SECTION 14.** ORS 462.147 is amended to read:

18        462.147. *[(1) The mutuel pool for a live horse race or a previously held horse race may:]*

19        *[(a) In addition to any amounts authorized under ORS 462.720, include amounts carried forward*  
 20 *from the mutuel pool of one or more previous races that were subject to mutuel wagering; and]*

21        *[(b) Be carried forward and included in the mutuel pool of subsequent races that are subject to*  
 22 *mutuel wagering.]*

23        ~~[(2)]~~ **(1)** In addition to any other authority of the Oregon Racing Commission to adopt rules, the  
 24 commission may adopt rules to identify forms of mutuel wagering that race meet licensees are al-  
 25 lowed to offer.

26        ~~[(3)]~~ **(2)** A device is not a slot machine or gray machine for purposes of ORS 167.108 to 167.164  
 27 if used for the purpose of carrying out a form of mutuel wagering offered by a race meet licensee  
 28 in accordance with commission rules.

29        **SECTION 15.** ORS 462.415 is amended to read:

30        462.415. (1) An animal may not participate in any race if:

31        (a) Less than 24 hours before post time the animal has been administered any drug that is pro-  
 32 hibited by the Oregon Racing Commission.

33        (b) The animal possesses in its system, on race day, either prior to or at the time of the race  
 34 any drug detected by any of the testing methods approved by the commission or customarily em-  
 35 ployed in the testing of urine, saliva, blood or other samples from racing animals.

36        (c) The animal’s performance was stimulated, depressed or otherwise affected in any manner by  
 37 use prior to or during the race of any electrical, mechanical or other device not sanctioned by the  
 38 commission.

39        (d) The animal fails to satisfy all of the conditions of the race prescribed by the racing secre-  
 40 tary.

41        **(e) The animal is an equine, as defined in ORS 30.687.**

42        (2) A person may not enter or allow to be entered in any race any animal if the person knows,  
 43 or by exercise of reasonable diligence should have known, that its participation is prohibited under  
 44 subsection (1) of this section.

45        (3) A trainer, upon entering an animal and allowing it to participate in a race, represents that

1 the animal is in a fit condition and that its participation is not prohibited under subsection (1) of  
2 this section. The trainer is responsible for and the absolute insurer of the condition of the animal  
3 regardless of the acts of third parties.

4 (4) An animal that participates in violation of subsection (1) of this section shall be disqualified  
5 and the order of finish revised. If the animal is disqualified, its owner may not share or participate  
6 in any purse, earnings, trophies or other emoluments of the race. Any revision in the order of finish  
7 after a race has been declared "official" by the stewards does not affect the mutuel payoff to the  
8 public.

9 (5) Notwithstanding this section or any other section in this chapter, the commission may, by  
10 rule, adopt a medication program subject to commission control and supervision that it finds to be  
11 in the best interest of racing. Notification to the public that an animal is currently using a drug  
12 shall be left to the discretion of the commission.

13 (6) Testing of samples from racing animals may be performed only at laboratory facilities certi-  
14 fied by the commission as having the capability to provide timely, accurate test results.

15 (7) Notwithstanding any other provision of this chapter, the commission, by rule, may adopt  
16 tolerances for medication, or residues thereof, that may be detected through tests approved under  
17 subsection (6) of this section.

18 **SECTION 16.** ORS 462.510 is amended to read:

19 462.510. (1) Any person who attempts to, or does persuade, procure or cause another person to  
20 wager on an animal participating in a race, and upon which money is wagered, and who asks or  
21 demands, or accepts compensation as a reward for information or purported information given in  
22 such case is a tout, and is guilty of touting.

23 (2) Predictions on the outcome of [*horse races and*] greyhound races may be sold on the  
24 licensee's premises in accordance with rules promulgated by the Oregon Racing Commission.

25 **SECTION 17.** ORS 462.520 is amended to read:

26 462.520. Any person who in the commission of touting falsely uses the name of any official of  
27 the Oregon Racing Commission, its inspectors or attaches, or of any official of any race track as-  
28 sociation, or the names of any owner, trainer[, *jockey*] or other person licensed by the commission  
29 as the source of any information or purported information is guilty of a misdemeanor.

30 **SECTION 18.** ORS 462.710 is amended to read:

31 462.710. (1) Any race meet licensee may make written application to the Oregon Racing Com-  
32 mission to conduct off-race course mutuel wagering:

- 33 (a) On races held at the licensee's race course; or  
34 (b) On races held at race courses outside this state.

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

39 (3) The commission shall authorize off-race course mutuel wagering upon such terms and con-  
40 ditions regarding the time, location and manner of operation as the commission considers appropri-  
41 ate. The commission may not authorize more than 20 locations for off-race course mutuel wagering  
42 to be in operation at any one time and shall permit off-race course mutuel wagering only at an au-  
43 thorized location. The commission may not authorize the conduct of off-race course mutuel wagering  
44 at any time or place or in any manner that the commission determines would have substantial ad-  
45 verse impact upon mutuel wagering on races held at a race course in this state. The commission

1 may not authorize a race meet licensee to conduct off-race course mutuel wagering within the  
 2 boundaries of any city or county that has adopted an ordinance prohibiting the conduct of that ac-  
 3 tivity within the city or county. The commission may not authorize a race meet licensee to conduct  
 4 off-race course mutuel wagering in any county with a population of less than 250,000 at a location  
 5 that is within 40 miles of any other location where another race meet licensee is conducting a live  
 6 race meet without written consent of the live race meet licensee.

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

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

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

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

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

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

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

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

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

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

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

36 **SECTION 19. ORS 462.062, 462.065, 462.072, 462.127, 462.130, 462.155, 462.301, 462.304,**  
 37 **462.307, 462.310, 462.313, 462.316, 462.319, 462.322, 462.325, 462.328, 462.331, 462.334, 462.337 and**  
 38 **462.340 are repealed.**