

## Testimony in Opposition to Senate Bill 1504

Submitted by Shawn Miller to the Senate Judiciary and Ballot Measure 110 Implementation Committee On Behalf of U.S. Off-Track

Chair Prozanski, members of the Senate Judiciary and Ballot Measure 110 Implementation Committee, I urge you to oppose Senate Bill 1504 which bans gambling on greyhound racing in Oregon.

First, Senate Bill 1504 is not about animal rights in the State of Oregon. No greyhound track has operated, and no greyhound race has occurred, in the State of Oregon since 2004 (18 years ago).

Senate Bill 1504 is about anti-gambling and, if passed, is a direct threat to the State of Oregon as the undisputed jurisdiction-of-choice for licensure of Advanced Deposit Wagering hubs (ADWs). In 1997, the Oregon legislature enacted a bill establishing ORS 462.725 and authorizing the Oregon Racing Commission to issue state-licensed multi-jurisdictional ADW licenses, the first of its kind. In 2020, the 10 Oregon-licensed ADWs (of which many are publicly traded) processed over \$6.6 billion in pari-mutuel bets. Here is a link to the Oregon Racing Commission's *Quarterly Multi-Jurisdictional Wagering Handle* report.

Simply put, Oregon ADWs allow individuals throughout the world (wherever legal) to establish an ADW account and utilize it to place pari-mutuel wagers telephonically or electronically on races conducted at domestic- and foreign-licensed racetracks. The State of Oregon and the Oregon Racing Commission have become the leader and epicenter of ADW-licensure and regulation – and no other jurisdiction or regulator comes close.

Senate Bill 1504, if passed, will adversely affect almost every Oregon ADW and will definitely cause many, if not all, of the affected ADWs to exit Oregon and find a new business jurisdiction to avoid a significant loss of revenue from their businesses as currently operated. The State of North Dakota is the jurisdiction most likely to succeed Oregon's primacy in the ADW industry. If Senate Bill 1504 passes and the affected ADWs depart Oregon, an estimated \$5.2 million in fees assessed against the affected ADWs will be lost to the State of Oregon biannually. Of this \$5.2 million, about \$3.9 million was distributed to support the Oregon horse racing industry and about \$1.3 was sent to the State of Oregon's general fund. The Oregon Racing Commission itself will lose about \$1.8 million annually in operational support from lost licensing fees, and the Grants Pass racetrack will lose about \$1.1 million annually in source market fees, previously paid by the affected ADWs. And with the loss of this revenue, thousands of jobs supporting the Oregon racing industry will be placed in jeopardy. The passage of Senate Bill 1504 will also likely decimate the Oregon Racing Commission and cast doubt on the viability of the entire racing industry in Oregon.

I respectfully ask that you Oppose Senate Bill 1504.