


Oregon Racing Commission

PRESENTED BY: CONNIE WINN
EXECUTIVE DIRECTOR

Historical Context

- ▶ **Established in 1933, the Oregon Racing Commission regulates all aspects of the pari-mutuel industry in Oregon -- including racing, on- and off-track wagering -- for the good of the horses, the horsemen and women, the bettors, the licensees and the citizenry.**

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- ▶ The Commission sets the gold standard for regulating online account wagering, ensuring that only licensed operators meet the highest standards. By law, 25 percent of the fees collected from wagering on these platforms are directed to the state's general fund, while the remaining 75 percent is reinvested into supporting the racing industry. This funding helps sustain important racing activities, including the commercial race meet in Grants Pass and summer race events in communities across the state.

- ▶ The commission's five-member governing board is appointed by the governor and confirmed by the Senate. Terms are four years.



Oregon Racing Commission Vision Statement

The Oregon Racing Commission is the go-to source for industry-respected regulations, customer focused processes, athlete safety and welfare and empowered excellence in racing.

Oregon Racing Commission's Mission

The Oregon Racing Commission is dedicated to promoting the highest standards of safety and integrity within the equine racing industry, both on-ground and online. Our mission is to safeguard the welfare of athletes, both human and equine, with a steadfast commitment to the best interests of our citizenry, licensees, participants, and the economy.



Goal 1: Promote live racing in Oregon to enhance all aspects of the horse racing industry in support of a strong Oregon economy.

Outcome(s):

- ▶ **Monitor and encourage economic growth.**
- ▶ **Support the rural county fair meets.**
- ▶ **Advocate horse racing attributes and benefits to the public.**
- ▶ **Continue to ensure excellent customer service is a priority for all staff.**

Goal 2: Ensure the safety and security of humans, equine, wagering community and property.

Outcome(s):

- ▶ **Improve and promote the safety of our equine and human athletes.**
- ▶ **Require our licensees to increase monitoring, awareness of avenues, and resources for responsible wagering. Provide and enforce policies and procedures regarding the safety of the athletes, participants, licensees, and staff.**
- ▶ **Provide opportunities for staff to continue learning and researching the latest industry safety standards.**
- ▶ **Develop relationships with industry experts to maintain alignment with best practices.**

Goal 3: Continue to be the leader in licensing and regulating Online Wagering (ADW) companies.

Outcome(s):

- ▶ **Provide a rigorous regulatory framework.**
- ▶ **Ensure business friendly practices with open communication across all industry partners.**
- ▶ **Continue to be the recognized go-to regulator for all ADW regulatory issues.**
- ▶ **Facilitate collaborative opportunities for licensees.**

Goal #4: Forward thinking and technologically savvy.

Outcome(s):

- ▶ **Stay up to date on trends and changes in technology.**
- ▶ **Be open to exploring new ideas and business opportunities.**
- ▶ **Ensure that the public faith in the technology we license is sound.**

Goal 5: Increase transparency and access to information.

Outcome(s):

- ▶ **Provide continual training to commissioners and staff on the requirements around transparency.**
- ▶ **Provide opportunities for engagement with the public.**
- ▶ **Regularly meet with interested parties such as legislators, tribes, and associations to educate them and elicit feedback on our operations. Provide extensive resources, research, and historical data on our website, for interested parties and industry associates.**

Agency Programs. The Commission is a single program unit for budget purposes. For practical purposes, the Commission is comprised of the following components:



Commission

This five-member board, appointed by the Governor, is charged with setting policy, approving race meet licenses and dates, acting in a quasi-judicial capacity for appeals, referrals from the stewards' hearing orders, as well as other matters involving alleged violations of racing statutes and rules. The Commission also is responsible for hiring the Executive Director.

- Administration:

This section consists of the Executive Director, the Program Analyst, and the Administrative Assistant. The Administration is responsible for the daily operations and management of the Commission.

- Board of Stewards:

The Stewards report to the Executive Director and provide the onsite supervision of live race meets. These individuals comprise two of the three members of the Board of Stewards at each race meet. The Board of Stewards has the authority to overrule any other race meet official.

Veterinarian Unit

The Commission Veterinarians are responsible for ensuring the health, safety, and well-being of racehorses, confirming that the animals participating in races are “racing sound.” They develop and oversee test barn protocols, supervise test barn operations, and manage veterinary technicians. Additionally, the Veterinarians provide recommendations for rule and policy changes related to testing of racing animals in Oregon, as well as other matters concerning their health, safety, and welfare. The Veterinarians report directly to the Executive Director.

Investigations and Licensing:

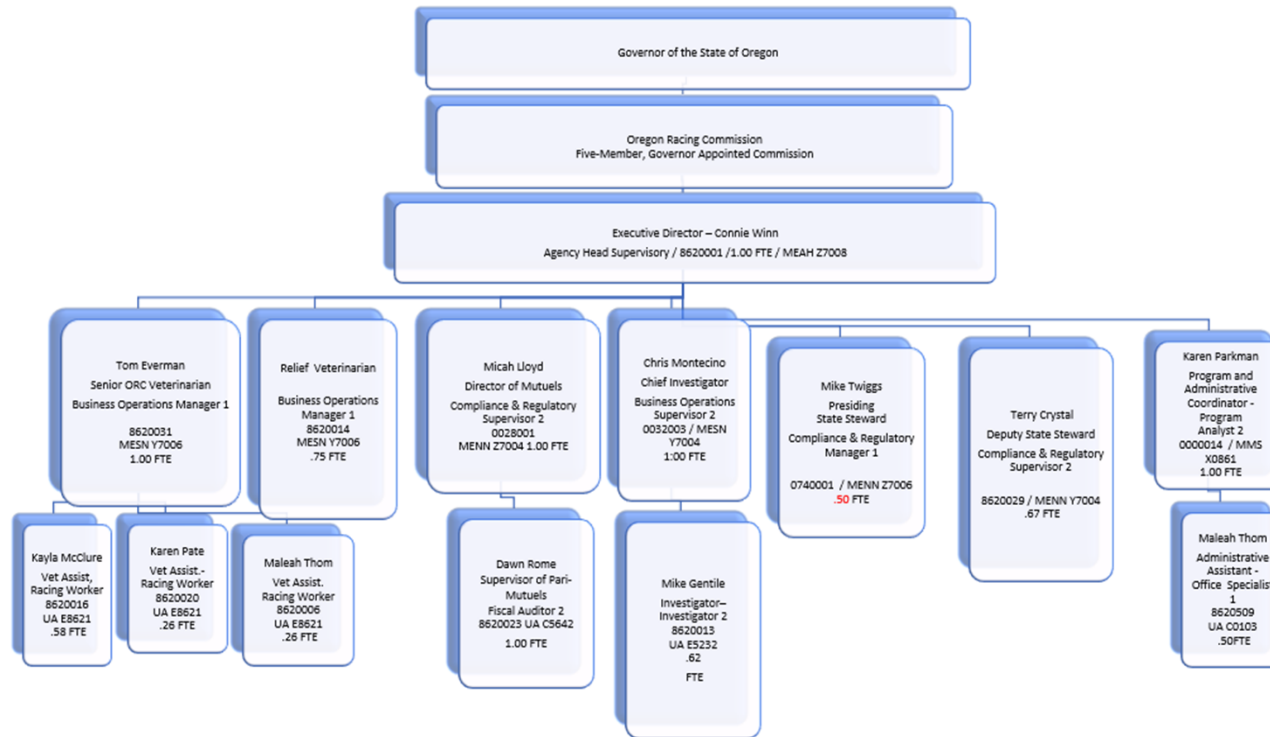
The Investigative and Licensing unit includes a chief investigator and one deputy investigator. Investigators conduct inquiries and investigations into alleged violations of racing statutes and rules, monitor participants and patrons, and perform background checks on license applicants. They also collect samples for chemical testing, oversee licensees in mandatory drug treatment programs, and coordinate with law enforcement agencies at all levels.

Auditing/Mutuels

- ▶ **This department is responsible for overseeing the online wagering and auditing pari-mutuel activities.**
- ▶ **The director of mutuels is also tasked with assessing the security, operations, and technology recommendations for hub applications and simulcast contracts. The department ensures that wagering integrity is maintained, including exploring the benefits of software that replicates the Totalizator System. The department reports to the Executive Director.**

Organizational chart

Proposed Oregon Racing Commission 2025 – 2027 Organization Chart



Interested Parties and Target Groups

Oregon Horse Associations

Commercial and Summer Fair
Race Meets

Online wagering companies (ADW) Companies

Off Track Betting Site (OTBs) Operators

Rural communities

Examples of economic impact

• Feed and supply, bedding, stable supplies, medical supplies, Leasing, boarding, equipment rentals, shipping and traveling, accounting, legal fees, insurance, marketing and advertising, veterinarian fees, broadcasting, technology, utilities, mortgage expenses, interest payments, trailers, office equipment, property tax, organizational fees, wages and salaries, contract labor, benefits, farrier fees, training fees plus the hundreds of indirect fees such as local dining facilities, stores, housing and so on.

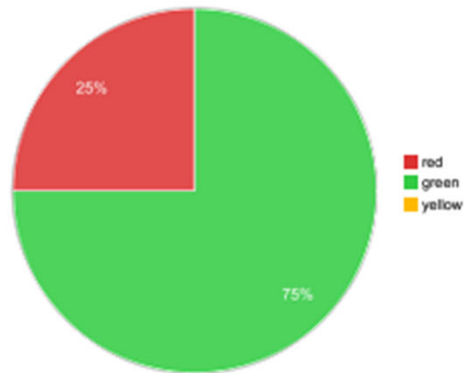
Key Performance Measures

Current KPM's (recommended addressed later in presentation)

- ▶ Animal Safety
- ▶ License Turnaround Time
- ▶ Excellent Customer Service
- ▶ Best Practices



KPM #	Approved Key Performance Measures (KPMs)
1	Animal Safety - Number of race-related equine fatalities per every 1,000 starters. Oregon's target is no more than 1.5 fatalities per 1,000 starters.
4	License Turnaround Time - Average number of work days from receipt of a complete individual application and questionnaire to conclusion of a criminal background check. Target equals 5-day turnaround.
5	Best Practices - Percent of total best practices met by the Board.
6	Excellent Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.

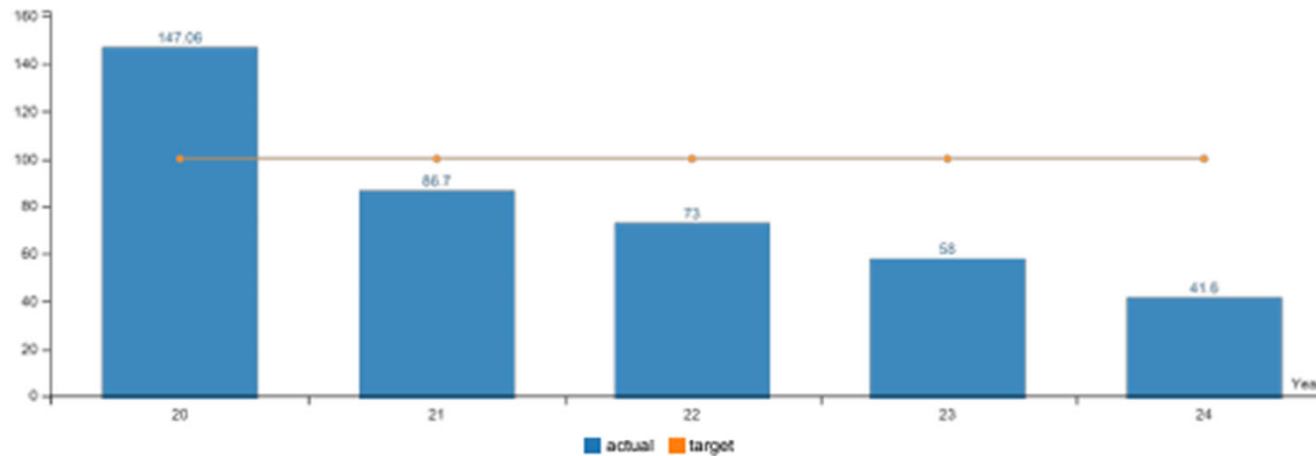


Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	75%	0%	25%

KPM #1 Animal Safety - Number of race-related equine fatalities per every 1,000 starters. Oregon's target is no more than 1.5 fatalities per 1,000 starters.

Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



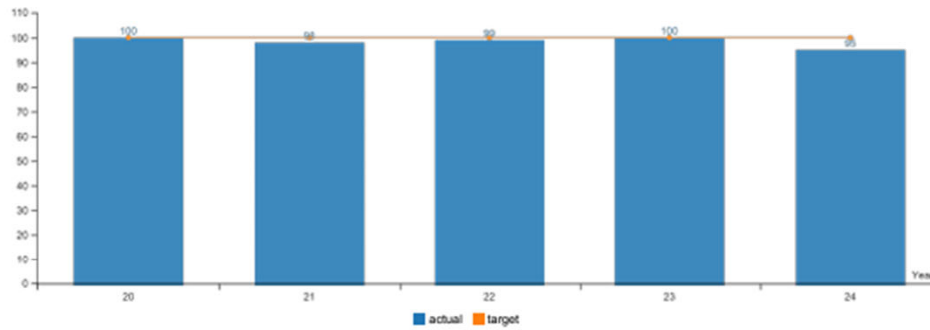
Report Year	2020	2021	2022	2023	2024
ORC KPM #1					
Actual	147.06%	86.70%	73%	58%	41.60%
Target	100%	100%	100%	100%	100%

How Are We Doing

The Oregon Racing Commission saw an increase in fatalities in fiscal year 2024. The number per 1000 was 3.6 on a goal of 1.5. Five horses were euthanized due to racing injuries that were catastrophic.

KPM #4 License Turnaround Time - Average number of work days from receipt of a complete individual application and questionnaire to conclusion of a criminal background check. Target equals 5-day turnaround.
 Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
ORC KPM #2					
Actual	100	98	99	100	95
Target	100	100	100	100	100

How Are We Doing

95% of licenses were processed within five days of receipt.

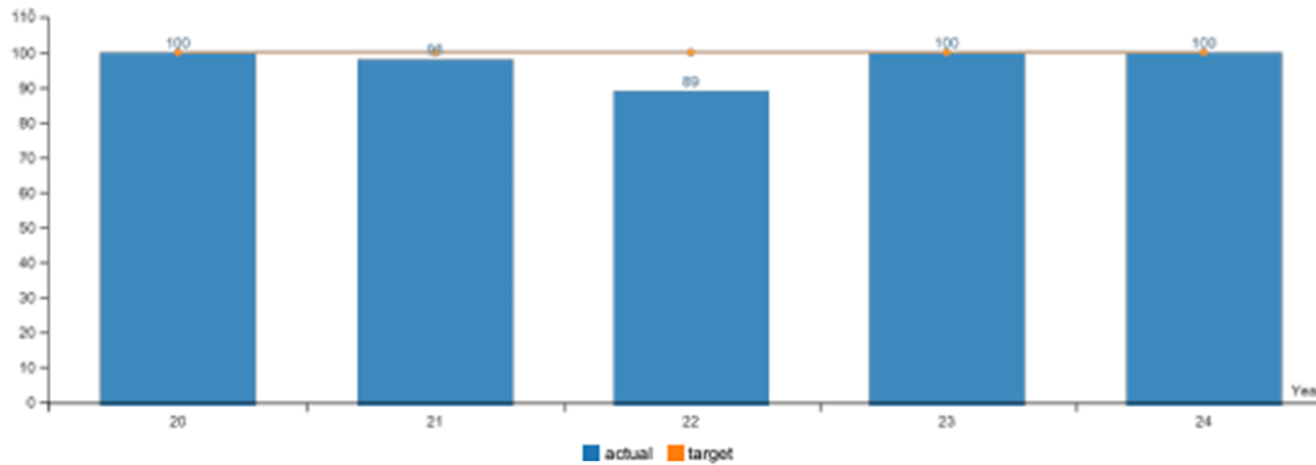
Factors Affecting Results

One of the factors impacting this was the resignation of our Chief Investigator which caused us to bring on our seasonal investigator early and provided a short gap in coverage.

An additional factor was that the current system requires all licenses to be manually completed and mailed in to a PO Box. A new licensing database is currently in the final stages of procurement and this will greatly increase processing times and customer service.

KPM #5 Best Practices - Percent of total best practices met by the Board.
 Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result

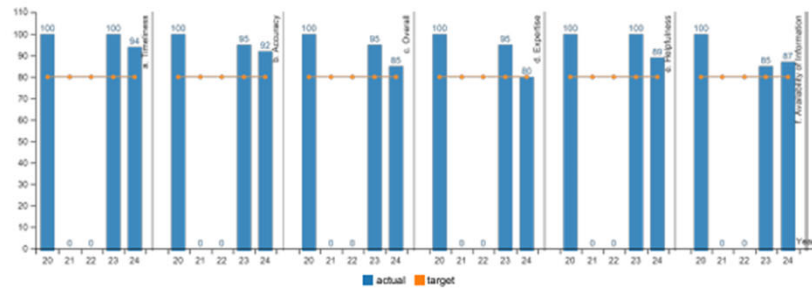


Report Year	2020	2021	2022	2023	2024
ORC KPM #4					
Actual	100%	98%	89%	100%	100%
Target	100%	100%	100%	100%	100%

How Are We Doing

Factors Affecting Results

KPM #6 Excellent Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.
 Data Collection Period: Jul 01 - Jun 30



Report Year	2020	2021	2022	2023	2024
a. Timeliness					
Actual	100%	0%	0%	100%	94%
Target	80%	80%	80%	80%	80%
b. Accuracy					
Actual	100%	0%	0%	95%	92%
Target	80%	80%	80%	80%	80%
c. Overall					
Actual	100%	0%	0%	95%	85%
Target	80%	80%	80%	80%	80%
d. Expertise					
Actual	100%	0%	0%	95%	80%
Target	80%	80%	80%	80%	80%
e. Helpfulness					
Actual	100%	0%	0%	100%	89%
Target	80%	80%	80%	80%	80%
f. Availability of Information					
Actual	100%	0%	0%	85%	87%
Target	80%	80%	80%	80%	80%

How Are We Doing



Action items for equine safety: Some examples

- ▶ Confidential tip line
- ▶ Adding additional vet technician
- ▶ Hire a new veterinarian
- ▶ Appointed an equine veterinarian as a commissioner
- ▶ Contracted with Racing Surface Testing Laboratory
- ▶ Increasing fines
- ▶ Air Quality Standards
- ▶ HeadCheck
- ▶ Helmet voucher plan

Continuation

- ▶ Increase oversight on training
- ▶ Additional training for staff – investigators, veterinarian
- ▶ Pre-training evaluation
- ▶ Changed several rules such as:
 - ▶ Cutting the amount of NSAID allowed in half
 - ▶ Reducing the amount of Lasix that can be given before a race and shortening the time
 - ▶ Requirement for all race fatalities to undergo necropsies
 - ▶ Changed requirements for starting gate
 - ▶ Prohibited some therapeutic treatments
 - ▶ Wait time after steroid injections
 - ▶ Requirement for medical staff at paddock



Changes to budget, operations, and programs

2019-2021

- Closure of year-round commercial racetrack
- Closure of year-round at track simulcast center
- Closure of Historical Racing
- Closure of ELS/Luckii.com Online Wagering Licensee
- TMB Racing opens with a much shorter session.
- Harney County Fair discontinues.

2021-2023

- Closure of TMC Commercial Racetrack
- Legal opinion to discontinue Historical Horse Racing
- Closure of US Off-Track Call Center and Online wagering license
- Hired one new Commissioner

2023-2025

- Closure of three off-track betting locations including Ontario, Medford and Roseburg.
- Closure of Premier Turf Club online wagering licensee
- Acquisition of new licensing database
- Hired four new commissioners
- Moved to fully remote during off season

Budget drivers and environmental factors

Budget Drivers

Continuation of Simulcast Network

Maintaining National Primacy in Licensing & Regulatory Online Wagering Licensing

Commercial Race Meet

Environmental Factors

Future state of racing

Impact on local, rural economies

Retention of Online Wagering Licensees

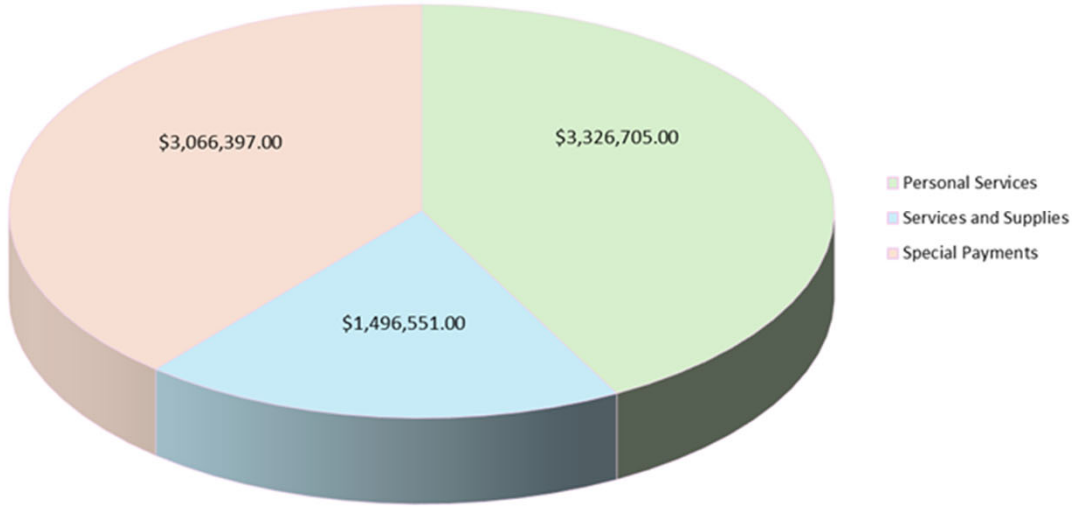
Workforce Challenges

Significant shortage of Equine Veterinarians

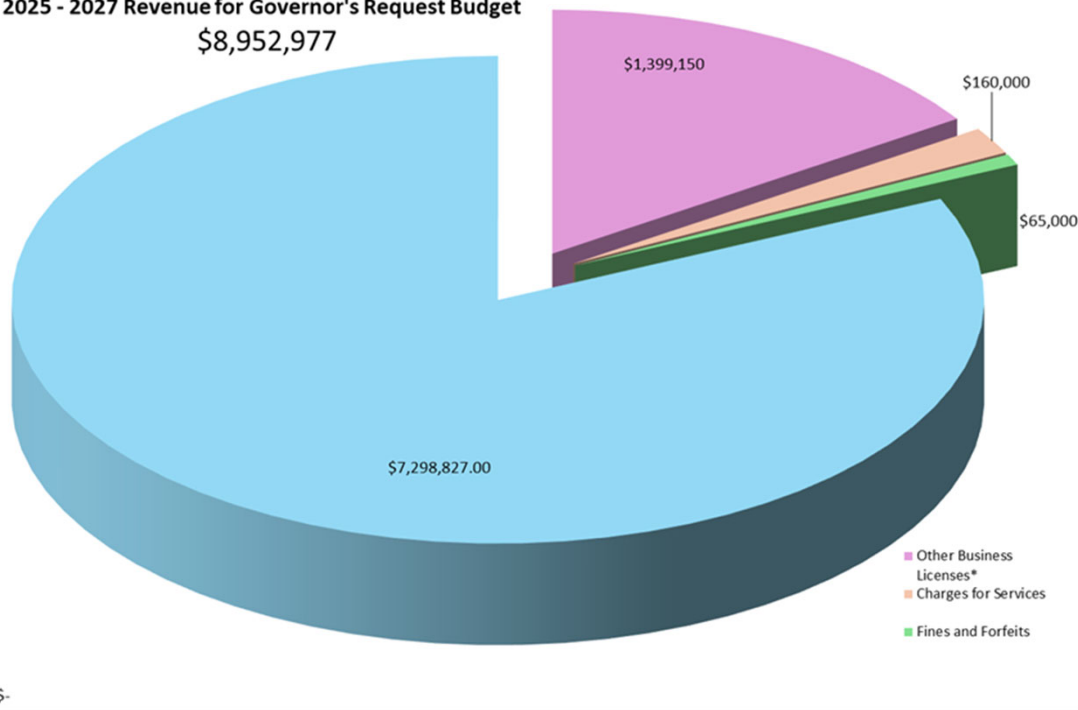
Difficult to find quality candidates for seasonal work with breaks such as for our test barn technicians

Difficult to find certified stewards in local area and those interested in recent years have conflicts of interest.

Oregon Racing Commission
2025 - 2027 Expenditures for Governor's Request Budget
\$7,889,653



Oregon Racing Commission
2025 - 2027 Revenue for Governor's Request Budget
\$8,952,977



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Racing Commission, Oregon

**Policy Package List by Priority
2025-27 Biennium**

Agency Number: 86200

BAM Analyst: Brickman, Tamara

Budget Coordinator: UNASSIGNED

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	070	Revenue Shortfalls	010-00-00-00000	General Program
	081	May 2024 Emergency Board	010-00-00-00000	General Program
	101	Increase Licensing Fees	010-00-00-00000	General Program
	102	Change Hub Funds Percentage	010-00-00-00000	General Program
	103	Increase Maximum Fines	010-00-00-00000	General Program
	104	Fine Illegal Wagering	010-00-00-00000	General Program

Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes
Racing 86200 -Stewards unit			192,093				\$ 192,093	PP	0.50	yes	Reduces track staff presiding steward to seasonal only .50 FTE. Impact- results in off season duties of participation in contested case hearings, rule development, CE and preparation for on season to be contracted, delayed or completed without unit expertise.

Increase licensing fees

- ▶ Changes our annual limit from \$30.00 a year to a maximum of \$150 for individual licenses
 - ▶ Last change over 20 years
 - ▶ Neighboring jurisdictions in line with new structure
 - ▶ California and Washington both have individual fees up to \$150.00Up to \$150.
 - ▶ Will allow us to offer a teared approach.
 - ▶ Additional \$130,405 of revenue for ORC
 - ▶ New fee structure will have five levels
 - ▶ Annual \$25 - \$100
 - ▶ Room for future increases

Increasing licensing fee's part 2:

Currently our online wagering licensees pay \$200.00 per day of operations.



This was the original amount that was set over 20 years ago.



This bill will increase the daily licensing fees from \$200.00 to \$225.00 per day.

Increase fines

Currently the maximum fine that can be imposed is \$500. no matter how serious the offence is.

Neighboring states as low as \$5,000 up to \$50,000

The statute was last changed 2015 session.

Civil Penalties

This bill provides ORC with the authority to impose civil fines for illegal wagering.

Currently ORC does not have the authority to impose any fines on illegal wagering.

This bill is meant as a deterrent, especially for online wagering companies that are operating illegally in Oregon.

Maximum fine of \$25,000



Activity or Program (WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	Describe Reduction (DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2025-27 AND 2027-29)	Amount and Fund Type						
		GF	LF	OF	NL-OF	FF	NL-FF	Total Funds
1. Reduce the special payments to the industry associations including OHBPA, OQHRA, OTOBA, and HRA, LLC. Reductions in distributions undertaken for the 23-25 bienium.	This would reduce the fund distribution to industry organizations which impacts racing days, safety and will negatively impact rural communities economically. These cuts may also lead to wider illegal horse racing.			\$ 600,000				\$ 600,000
2. Reductions in FTE	Reduces track staff during off season.			\$ 283,000				\$ 283,000

10% Reduction Option

Long term
vacancies:
Relief
Veterinarian is
frozen



Currently using contract veterinarians
due to short race schedule

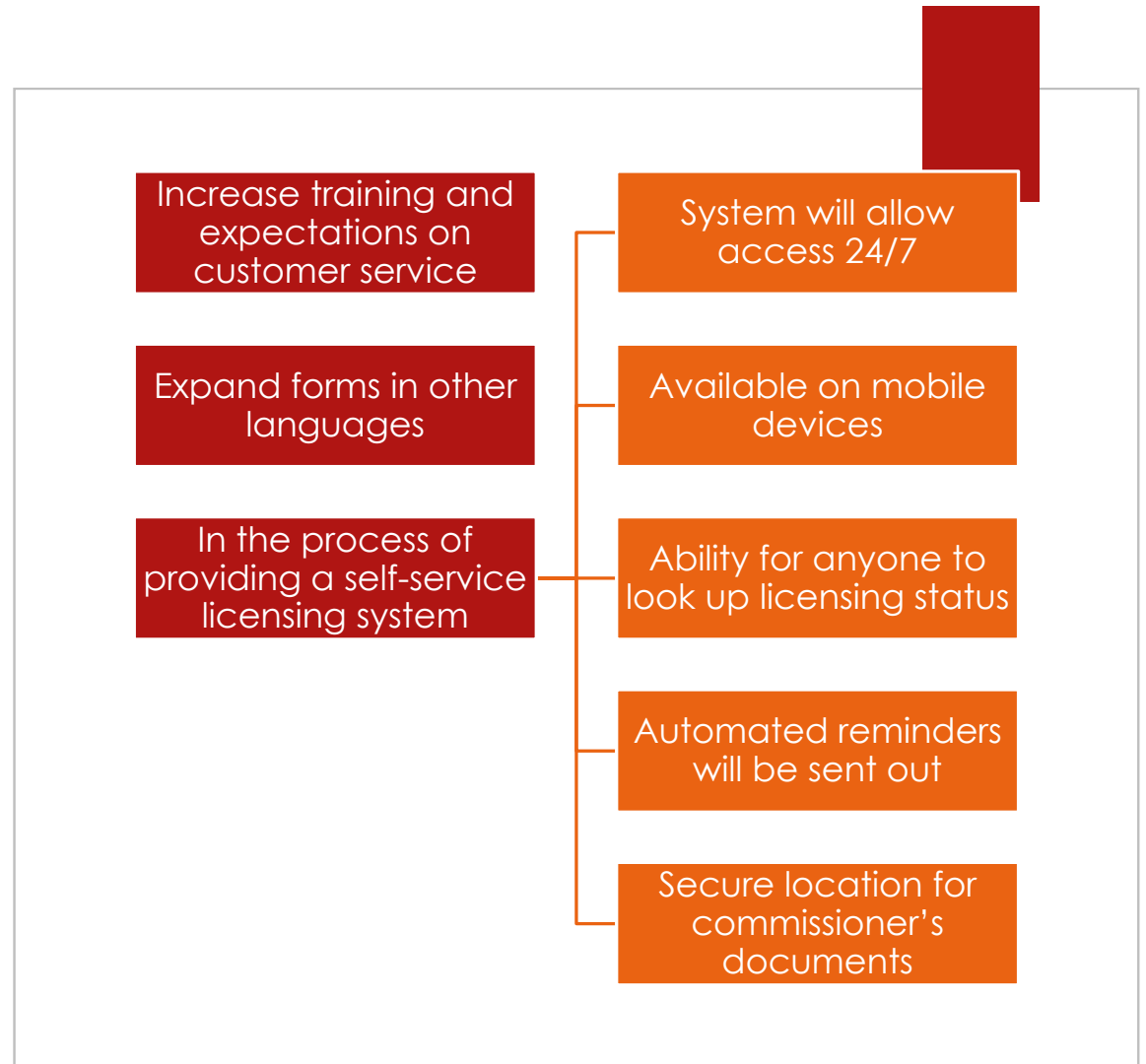
There is a significant veterinarian
shortage in the U.S. which is even
worse in the equine field.

Upon gaining more race days and
finding a qualified veterinarian, this
position will be filled in the future.

Plans to create savings

- ▶ The Racing Commission is consistently reviewing areas where savings can be made.
- ▶ At this point, we are UNDER-staffed, and utilizing outdated technology, and equipment and need to be considering options that will restore our revenue.
- ▶ Continue using DCBS for HR contracting which is much cheaper than using DAS
- ▶ Continue to use Cascade Technologies for IR contracting as they are considerably less expensive than DAS
 - ▶ Reviewing needed supplies and services
 - ▶ Drastically reduced printing and paper use
 - ▶ Continue to find meaningful ways to bring commissioner and interested parties together without having a year-round office.

Steps to improve services



**REQUEST FOR
ADDITIONAL KPM'S**

The Joint Committee on Ways and Means added a budget note recommending new key performance measures with instructions to develop measures that track animal injuries, animal abuse, race fixing and illegal wagering within Oregon.

Proposed additions to KPM's

No more than 1 out of 250 tests for controlled substances come back with a result above the approved level.

Equine safety - Injuries - Number of known race-related equine injuries per every 1000 starters. Oregon's target is no more than 5 per 1000 starts.

Challenges with KPM's for the following:

- ▶ **Key Performance Measures must be specific, measurable, achievable, relevant and time bound.**
 - ▶ **Animal abuse**
 - ▶ **Race fixing**
 - ▶ **Illegal wagers**



Possible solution?

- ▶ **Create a report containing the following:**
 - ▶ **Introduction**
 - ▶ **Abuse/neglect**
 - ▶ **Veterinarian scratches**
 - ▶ **Illegal Wagering**

Sample Introduction

- ▶ **Equine Report 2024**
- ▶ **Introduction**

Dear Honorable Legislators,

On behalf of the Oregon Racing Commission, we are pleased to present this report, which provides an overview of known injuries within the state's racing industry. This report is based on data collected and reported by the State Veterinarian, reflecting incidents that have occurred within the last year. In addition to injuries sustained during racing or training, the data also includes horses that were scratched by the veterinarian for a variety of reasons. These reasons may include illness, behavioral issues at the starting gate, or, most commonly, muscle soreness.

The goal of this report is to assist you in making informed decisions about policies and practices related to animal welfare, racing safety, and overall industry regulations. We are committed to working collaboratively with all stakeholders to ensure the well-being of the horses and participants within Oregon's racing industry, and we believe that the insights provided in this report will support ongoing efforts to improve safety standards and protocols.

We appreciate your attention to this important matter and look forward to continued dialogue as we work together to protect the health and safety of the animals involved in our state's racing activities.

Abuse/Neglect

- ▶ **There is one known case of attempted neglect. An owner/trainer left his horses for several days without planning for food, water or any care. The people at the racetrack took it on themselves to take care of the horses. The President of the track brought and paid for the food for the horses. None of the animals suffered any ill effects. The owner/trainer has been suspended and we have notified other jurisdictions of the offenses. This owner/trainer is located out of state.**

Veterinarian Scratches

Note: The most common reason for a scratch is due to a sore muscle

- ▶ • Eastern Oregon Livestock Show Union meet June 7-9, 2024:
 - ▶ ○ 3 horses scratched
- ▶ • Josephine County SOHRA Grants Pass meet June 15-16, 2024:
 - ▶ ○ 3 horses scratched
- ▶ • Josephine County SOHRA Grants Pass meet June 22-23, 2024:
 - ▶ ○ 5 horses scratched
- ▶ • Josephine County SOHRA Grants Pass meet June 29-30, 2024:
 - ▶ ○ 3 horses scratched
- ▶ • Josephine County SOHRA Grants Pass meet July 4, 2024:
 - ▶ ○ 1 horse scratches
- ▶ • Crooked River Roundup meet Prineville July 10-13, 2024:
 - ▶ ○ 11 horses scratched
- ▶ • Tillamook County Fair meet August 7-10, 2024
 - ▶ ○ 5 horses scratched
- ▶ • HRA Grants Pass September 8 – 9, 2024
 - ▶ ○ 2 horses scratched
- ▶ • HRA Grants Pass September 15 – 16, 2024
 - ▶ ○ 2 horses scratched
- ▶ • HRA Grants Pass September 22 – 23, 2024
 - ▶ ○ 4 horses scratched
- ▶ • HRA Grants Pass September 29-30, 2025
 - ▶ ○ 4 horses scratched
- ▶ • HRA Grants Pass October 6-7, 2024
 - ▶ ○ 6 horses scratched
- ▶ • HRA Grants Pass October 13-14, 2024
 - ▶ ○ 6 horses scratched

Known illegal wagering

▶ Domestic

- derbywars.com
- offtrackbetting.com
- Ironbetsracing.com
- spree.bet
- RaceBetWin.com
- Skyracingworld
- winningponies.com

▶ International

- usracing.com / busr.ag
- betonline.ag
- allhorseracing.ag
- betwhale.ag
- sportsbetting.ag
- xbet.ag
- playup.com
- bovada.lv
- betus.com.pa
- gohorsebetting.com



The image features a dark background with a red vertical bar on the left and a red rectangular block in the top right corner. The word "Questions?" is written in white, sans-serif font in the center of the black area.

Questions?