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CONFERENCE COMMITTEE ON
HB 3411

June 9, 1995 Hearing Room H170
9:30 P.M. Tape 1

MEMBERS PRESENT:

Rep. Bob Tiernan, Chair
Rep. Bill Markham
Rep. Lonnie Roberts
Sen. Gene Timms
Sen. Greg Walden
Sen. Mae Yih

STAFF PRESENT:

Greg Moore, Counsel
Annetta Mullins, Assistant

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 1, A

004 CHAIR TIERNAN: Calls the meeting to order at 11:29 p.m.

010 GARY WEEKS, Director, Oregon State Lottery, and representing the Governor's office: Explains that the bill permits up to 75 video lottery terminals (VLTs) at the Portland Meadows Race Track and the Multnomah Kennel Club. Net revenues from the VLT are distributed to the Kennel Club,

Portland Meadows at the same rate as other retailers. It will probably be 30 percent and well over \$200,000 in net revenues. The balance of the revenue is paid into the Economic Development Fund. From those moneys paid

into the Economic Development, one-half of those moneys are then paid out to the racing commission. Of the moneys paid from the Economic Development

Fund to the Racing Commission, the Racing Commission allocates those moneys

for a list of purposes in Section 7 of the bill. 18.3 percent is left in the hands of the Racing Commission to allocate, by rule, for purposes that promote the racing industry in Oregon.

034 REP. ROBERTS: Did you settle the off-track betting sites (OTB's)?

035 MIKE DEWEY: We have not changed the off-track wagering facilities.

038 REP. ROBERTS: Then you are going back to the original 20.

036 DAVE NELSON, New Portland Meadows: The status quo remains in place.

039 MR. DEWEY: We changed the simulcast policy; we moved that up in the amended bill. But we are not changing the simulcasts with the amendments;

therefore, it is status quo.

041 MR. WEEKS: Simulcasting remains just as it is today.

043 MR. WEEKS: The amendments before the committee to the C-Engrossed (EXHIBIT A) are accurate with the exception the 18.3 percent of the Racing Commission's share. That is not in the amendments and need to be added.

048 GREG MOORE, Counsel: Explains that on page 2 of the HB 3411-C15 amendments, should be hand-engrossed at line 7, after "1994, delete the quotation mark and insert "(8) 18.3 percent shall be expended by the Oregon

Racing Commission for promotion of the racing industry in Oregon, in such amounts as the commission may determine."

069 REP. MARKHAM: Where does the 18.3 percent come from?

070 MR. MOORE: It comes from the Racing Commission portion.

073 MR. NELSON: Explains that the beneficiaries of the 50 percent share that goes to the commission were identified in the bill and when the simulcasting prohibition Lone Oak racing disappeared at an amount of 1.8 so it is in effect the balance of the amount.

078 REP. ROBERTS: 18.3 is 50 percent of the Racing Commission's take.

081 CHAIR TIERNAN: Comments he understands a portion of the revenues was supposed to go to support county fairs.

084 MR. NELSON: Explains that in the C-Engrossed bill, on page 4 in Section 8, line 12 describes the percentage that is paid to the Oregon County Fair Account by the Racing Commission.

092 CHAIR TIERNAN: Comments he is familiar with the Wheeler County fair. Wheeler is the poorest county in Oregon and the fair is going out of business. Suggest that \$20,000 be allocated to the Wheeler County fair to keep them in business.

096 REP. ROBERTS: Suggest a note be sent to the Racing Commission because the Racing Commission can authorize it themselves.

097 CHAIR TIERNAN: Comments he would prefer to put it in the bill to be sure they get it and suggest the language be added to Section 8 after the period in line 15.

101 SEN. WALDEN: Asks if this will be a one-time appropriation.

101 CHAIR TIERNAN: No, I would like it to be an annual appropriation to keep it going.

105 MR. NELSON: Comments he would fully support the amendment and suggest the language be added as an addendum to Section 8 and say of the \$300,000, \$20,000 will be identified for the Wheeler County fair.

116 MR. WEEKS: The dollar amounts have been removed because they do not mean anything. Only the percentages are left. In Section 8, 6.4 percent shall be paid to the account. You could say from that amount, \$20,000 shall be paid to or dedicated to the Wheeler County fair.

122 MOTION: CHAIR TIERNAN moves that the HB 3411-C15 amendments be amended on page 4, in line 15 after the period, add language to appropriate \$20,000 annually to the Wheeler County fair.

123 VOTE: CHAIR TIERNAN, hearing no objection to the motion, declares the

motion PASSED. All members are present.

129 SEN. TIMMS: Asks for confirmation that this bill does not affect the Christmas Tree bill for lottery funds.

129 MR. WEEKS: Confirms that is true.

131 SEN. YIH: Asks what approximate amount would go to the economic development because of this program.

132 MR. NELSON: It will be approximately \$4.7 million per biennium.

142 SEN. YIH: Is that included in the budget?

MR. WEEKS: No, and it should not be because how much they will earn is uncertain.

143 MOTION: SEN. WALDEN moves that the House concur in the Senate amendments dated June 9 and that the bill be further amended with the HB 3411-C15 amendments as hand-amended on page 2, line 7, after "1994" delete the quotation mark and insert "(8) 18.3 percent shall be expended by the Oregon Racing Commission for promotion of the racing industry in Oregon, in

such amounts as the commission may determine." and with the amendment on page 4 in section 8 of the printed C-Engrossed bill to appropriate \$20,000 annually to the Wheeler County fair, and that the bill be repassed.

157 VOTE: In a roll call vote, all members are present and vote AYE.

165 CHAIR TIERNAN: Declares the motion PASSED and the meeting adjourned at 11:47 p.m.

Submitted by, Reviewed by,

Annetta Mullins Gregory G. Moore
Committee Assistant Committee Counsel

EXHIBIT SUMMARY:

A - HB 3411-15C amendments, 2 pp