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March 14, 2023

The Hon. John Lively
House Committee on Gambling Regulation
900 Court St., NE
Salem, OR 97301

Dear Chair Lively,

On behalf of our more than 300,000 supporters I urge you to support House Bill 3514. This bill strengthens a greyhound protection law adopted by the 2022 legislature, restores legislative intent, and compels enforcement by the Racing Commission.

Background

Greyhound racing is currently illegal in 42 states, and only exists at two racetracks, both in West Virginia. All major animal protection groups oppose greyhound racing, and view it as cruel and inhumane. A constitutional amendment to phase out dog racing and shutter twelve tracks was adopted by Florida voters in 2018, by a margin of 69% to 31%.

At commercial racetracks greyhounds endure lives of confinement, kept in warehouse style kennels in rows of stacked metal cages for long hours each day. According to state records, 627 injuries were reported at West Virginia tracks in 2021. Of these, 189 dogs suffered broken bones and twelve greyhounds died. Greyhounds are also exposed to dangerous drugs, and female greyhounds are given regular doses of an anabolic steroid, methyltestosterone, to prevent a loss of racing days.

Internationally, greyhound racing exists in Australia, England, Ireland, Mexico, New Zealand, Scotland, Vietnam and Wales. The governments of New Zealand, Scotland and Wales are currently weighing proposals to outlaw greyhound racing, with votes to occur in the coming months. As greyhound racing has ended in the United States, foreign dog tracks have begun to appeal to American gamblers for the first time.

Oregon's Role in Propping Up Greyhound Racing

Advance Deposit Wagering (ADW) companies use Oregon to process bets, under the legal theory the wagers occur in Oregon. Last year, \$101,592,806.03 was wagered on greyhound races *via* ADW hubs based in Oregon. The overwhelming majority (98.4%) of all ADW bets were made on horse races, with only 1.6% being placed on dog racing.

2022 Bill to Help Greyhounds

In 2022 the legislature passed a new law to limit betting on greyhound racing. Specifically, the law prohibits ADW hubs from processing dog racing bets if “**wagering on live greyhound racing** is unlawful in the jurisdiction of the individual’s principal residence.” The bill was sponsored by Senate President Peter Courtney, and was the last piece of legislation he passed in his distinguished career. On the Senate floor, President Courtney implored his colleagues to care about Oregon’s involvement in this cruel industry:

“I don’t know how you could do this to an animal that you’re using to make money off of. I don’t how you could treat an animal like that. I don’t understand it.”

As introduced, President Courtney’s bill prohibited all gambling on greyhound racing in Oregon. But the law that ultimately passed is a compromise that restricted greyhound ADW betting to individuals in the nine states where wagering on live dog racing is still legal. That compromise is now being ignored by the Oregon Racing Commission.

Agency Reluctance to Enforce the Law

On the same day Senate Bill 1504 passed the House, Oregon Racing Commission Executive Director Jack McGrail made it clear the agency had no intention of honoring its legislative intent, by telling trade publication USBets that gambling companies should determine if they are in compliance or not:

“We have these states where parimutuel wagering is lawful, and there’s nothing about greyhound racing. Does that make it illegal? Does that make it legal? **Or is that up to the individual company to make their own assessment and back it up?**”

In a February 16 letter to Representative David Gomberg, the Commission made the argument that ADW companies, such as TwinSpire, are not in contravention of the new law because *greyhound simulcasting* is legal in certain states. This is a ridiculous claim that would not survive judicial review. It also ignores the legislative intent of Senate Bill 1504.

In fact, everyone seems to understand the meaning of Senate Bill 1504, except the Racing Commission. The Staff Measure Summary for the bill before you now, HB 3514, bases its analysis on the correct legal conclusion that individuals cannot use ADW hubs to bet on dog races if wagering on live dog racing is prohibited in their state, such as Oregon.

“Senate Bill 1504 (2022) prohibited the granting or licensing of greyhound race meets on and after July 1, 2022... **This effectively prohibited wagering on greyhound racing, regardless of the state or country in which the wagering occurs, if the individual resides in Oregon.**”

Live Racing Versus Simulcasting

Wagering on Live Racing involves placing a bet on a race that is physically occurring in front of you. In many states, racetracks must conduct a specific number of live races in order to offer other forms of gambling, such as simulcasting. Simulcasting is legally distinct and involves betting remotely on races that take place in another jurisdiction. Oregon law defines simulcasting as:

“Live audiovisual electronic signals emanating from a licensed race meeting and transmitted simultaneously with the running events at that meeting, and includes the transmission of parimutuel wagering odds, amounts wagered and payoff on such events, and other racing

programming relating to the race animals or participants, or (b) Such other form of electronic signals of animal racing as is approved by the commission.”

As a matter of fact, **wagering on live greyhound racing** is only legal in the states of Alabama, Arkansas, Connecticut, Iowa, Kansas, Texas, West Virginia, Wisconsin, and arguably, part of Rhode Island. This is confirmed by a Legislative Counsel Opinion (attached) that was sent to Representative Gomberg on December 21, 2021, and cited in the Senate Judiciary Staff Measure Summary for SB 1504.

For further details on why this argument by the ORC is flawed, please see the letter we recently sent to Representative Gomberg. The bottom line is that the Commission has adopted an indefensible interpretation of Senate Bill 1504, to give itself an excuse for non-enforcement.

How House Bill 3514 Solves This Problem

House Bill 3514 strengthens existing law, by adding new language that requires the Commission to investigate reported violations of Senate Bill 1504. It also requires the Commission to suspend the license of an ADW company if violations are found. Finally, it prohibits ADW betting on greyhound races that occur at foreign dog tracks, which is a very small but concerning component of ADW betting in Oregon.

Animal Welfare Problems at Foreign Dog Tracks

Unfortunately, major animal welfare violations are occurring in all jurisdictions that permit commercial greyhound racing. We are particularly concerned about the welfare of dogs at a racetrack in Mexico, called Agua Caliente. There are no animal welfare standards at Caliente, and the facility is one of the worst dog tracks in the world. Dogs at Caliente regularly compete with fewer days of rest than at American dog tracks. It is reasonable to believe that this likely leads to higher injury rates, although Caliente does not provide the public with any data on greyhound injuries or deaths. Across the world, serious animal welfare violations and race fixing cases are occurring at dog tracks that use the Oregon hub system. For example:

- In August 2022 an Australian greyhound trainer was criminally charged after he gave a dog in his control alcohol, then placed a successful \$4,000 wager on a rival dog.
- In April 2022 an Australian greyhound race official was disqualified for nine months after he was caught placing illegal bets on races he was responsible for regulating.
- At Oxford Stadium in the United Kingdom, greyhound injuries became so severe in October 2022 that trainers boycotted races.

House Bill 3514 is a good proposal that restores the legislative intent of Senate Bill 1504. I respectfully ask for your support of this humane and timely measure.

Sincerely,



Carey M. Theil
Executive Director