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January 30, 2025

Chair Nathan Sosa House Committee on Commerce and Consumer Protection 900 Court St., NE Salem, OR 97301

Dear Chair Sosa,

On behalf of our more than 300,000 supporters, I urge you to support House Bill 3020. This is a good bill that will end Oregon's involvement in greyhound racing, and help thousands of dogs.

HB 3020 is a straightforward measure that is filed at the request of Governor Tina Kotek for the Oregon Racing Commission. It will prohibit all gambling on greyhound racing, as well as the processing of foreign dog track bets in the state. It follows a 2022 bill to outlaw greyhound racing that was championed by Senate President Peter Courtney. The last operational track in the state, Multnomah Greyhound Park, closed in 2004.

### Current status of greyhound racing in the U.S.

Greyhound races are currently held at two tracks in the United States: Wheeling Island and Tri-State Greyhound Track in West Virginia.<sup>i</sup>

Greyhound racing is currently illegal in 43 states, including Oregon.<sup>ii</sup> In 2018 Florida citizens voted to outlaw dog racing by a decisive vote of 69% to 31%.<sup>iii</sup> A decade earlier, Massachusetts voters abolished greyhound racing by a margin of 56% to 44%.<sup>iv</sup> As a result of animal welfare concerns, state legislatures have recently outlawed greyhound racing in Connecticut (2024),<sup>v</sup> Oregon (2022),<sup>vi</sup> Arizona (2016),<sup>vii</sup> Colorado (2014),<sup>viii</sup> New Hampshire (2010),<sup>ix</sup> and Rhode Island (2010).<sup>x</sup> Since 2022, five states (Arizona, Colorado, Kansas, Massachusetts and New Hampshire) have also outlawed remote betting on greyhound racing.

A federal bill to prohibit gambling on dog racing nationwide, the Greyhound Protection Act (H.R. 3894), earned 80 bipartisan co-sponsors in the 118<sup>th</sup> Congress including Congresswomen Andrea Salinas and Lori Chavez-DeRemer.<sup>xi</sup> The measure has been endorsed by more than 250 local animal shelters, animal welfare groups, antigambling organizations, and international NGOs.<sup>xii</sup> The company that owns both West Virginia tracks, Delaware North, is neutral on H.R. 3894.<sup>xiii</sup>

## Oregon's role in propping up greyhound racing

Advance Deposit Wagering (ADW) companies electronically stream dog races on mobile apps so that people in states across the country may place bets. Nearly half of dog race wagers are now made over the internet. Oregon is one of only two states,

P.O. Box F | Arlington, MA 02476 | (p) 781.488.3526 | (f) 781.488.3529 GREY2KUSA.org | info@GREY2KUSA.org with North Dakota, xiv that allows internet gambling companies to process racetrack bets. xv

These hubs operate under the dubious legal fiction that bets placed by gamblers wagering from outside Oregon occur in Oregon, because that is where the processing centers are located.<sup>xvi</sup> This theory is used to circumvent concerns regarding the Federal Wire Act's prohibition on interstate gambling on dog racing. The North Dakota legislature is currently considering several bills to prohibit greyhound wagering in the state, including the processing of greyhound ADW bets.

For many years, there has been tension over the legality of greyhound ADW betting as it relates to the Federal Wire Act and pari-mutuel wagering. The Interstate Horseracing Act was amended in 2000 to allow states to decide whether residents can make ADW bets on horse races from out-of-state operators, as long as ADW was legal in both states. However, it is important to note that the Interstate Horseracing Act applies to horse races only, and makes no reference to the legality of ADW bets on greyhound racing.

In 2023, \$83.7 million in ADW greyhound bets were processed in Oregon, whereas nearly \$6.6 billion in horse bets were processed. Dog racing accounted for only 1.3% of all ADW bets processed in Oregon, and according to the Oregon Racing Commission total state revenue from greyhound racing in 2023 was a paltry \$72,547.76. A small amount of greyhound betting (\$2.5 million annually) also occurs at Oregon off-track betting parlors.

## Dog racing is a dying industry and not a sustainable source of revenue for horse racing

Betting on greyhound races in the Oregon ADW system declined by 38% between 2021 and 2023. Three ADW companies that are licensed in Oregon have discontinued greyhound wagering since 2022, including leading company ODS Technologies. Similarly, in 2024 dog race betting at Oregon off-track betting parlors declined by 16.5% compared to the previous year.

Nationally, greyhound racing has declined dramatically over the past three decades. At its peak there were nearly 70 operational dog tracks in 19 states, and approximately \$3.5 billion wagered on dog races annually.<sup>xvii</sup> Today, this number has been reduced to less than \$350 million nationwide.<sup>xviii</sup> In states where greyhound betting has ended, some simulcast dollars have migrated to horse racing, to the benefit of the equine industry.

### Greyhound injuries and deaths at tracks using the Oregon ADW Hub system

According to the Oregon Racing Commission, 10,542 greyhounds were injured in 2023 at tracks using the Oregon ADW betting system.<sup>xix</sup> During the same year, 568 greyhound injuries were reported at the two dog tracks in West Virginia alone, including 181 dogs that suffered broken bones and nine dogs that died.<sup>xx</sup>

## Cases of animal cruelty, neglect, and race fixing at Oregon Hub dog tracks

The Commission also reported that there have been more than one hundred violations in 2023 at dog tracks using the Oregon Hub system. These violations included cases of "failure to provide adequate care" to greyhounds, "misconduct at a racetrack," multiple cases of individuals "striking a greyhound," dozens of greyhound drug positives including for anabolic steroids, race fixing ("accepting money to scratch dogs"), illegal underage gambling, failure to provide sanitary kennel conditions, "transporting greyhounds in a manner likely to cause injury or undue stress," and cases of live lure training including "committing a serious act of cruelty on an animal (rabbit) with the intention of inflicting severe pain, causing death."

## Other animal welfare violations

Profitability is prioritized over animal welfare in the greyhound industry, and dogs are subjected to standard practices designed to cut costs while increasing the profit margin for each individual animal.

- At commercial racetracks hundreds of greyhounds are kept inside warehouse-style kennels in rows of stacked cages that are barely large enough for them to stand up or turn around. According to industry statements, greyhounds are kept confined in their cages for 20 to 23 hours per day, with shredded paper or carpet remnants as bedding.<sup>xxi</sup>
- Since 2020 four cases of "live lure training" have been documented in Oklahoma, Kansas, Texas, and Colorado. This cruel practice involves the use of small animals to excite and enhance a chase instinct in greyhounds. Typically, screaming animals are dangled before greyhounds, dragged in front of them on ropes, or simply set loose to be attacked.<sup>xxii</sup>
- Female greyhounds are routinely given doses of a dangerous anabolic steroid, methyltestosterone, to prevent a loss of race days.<sup>xxiii</sup> Also, racing dogs have repeatedly tested positive for cocaine.<sup>xxiv</sup>
- Greyhounds have very short racing careers, and are usually discarded before their fourth birthday. Historically a large number of greyhounds were killed when they were no longer profitable, and as recently as 2009 the National Greyhound Association estimated that 2,000 to 3,000 greyhounds were killed annually. Thankfully, fewer greyhounds are killed today, due to a contraction of the industry and increased emphasis on adoption.<sup>xxv</sup>

# Involvement of foreign dog tracks including alleged Mexican drug cartel associate

Foreign dog tracks in Ireland, the United Kingdom, and Australia are using Oregon ADW Hubs to facilitate bets from American gamblers.<sup>xxvi</sup> In January 2021 British company Sports Information Services (SIS), in partnership with AmWest Entertainment, introduced a new service that allows American gamblers to wager on races at British and Irish dog tracks. The agreement covers 53 race meetings per week, and as many as 33,000 dog races annually. The races are offered every seven minutes between 1:30 PM and 4:30 PM EST, with a stated goal to "keep bettors engaged and drive betting revenue."<sup>xxvii</sup> This new betting service coincided with the end of dog racing in Florida, and is intended to prop up greyhound racing in the United Kingdom and Ireland. These wagers are being processed in Oregon.

We were particularly concerned about the welfare of dogs at a racetrack in Tijuana, Mexico, before that dog track closed in July 2024.<sup>xxviii</sup> There were no animal welfare standards at Agua Caliente, and the facility was one of the worst dog tracks in the world. Several companies, including US-Off Track, were using the Oregon hub system to process wagers on races from Caliente prior to its closure.

The owner of Caliente, Jorge Hank Rhon, "has been suspected by U.S. law enforcement and Mexican authorities of illegal money laundering activities related to illicit drug trafficking, particularly with the Arellano Felix drug cartel."<sup>xxix</sup> He was arrested and detained by the federal government in 2011 after 88 guns were found at his home, including a firearm that was linked to a murder.<sup>xxx</sup> The Governor of Baja, MX described Rhon as the head of a "criminal group" and quoted a former governor as saying, "All roads lead to the racecourse." In 1991 Rhon was fined \$25,000 after an associate attempted to cross the border with an endangered White Siberian Tiger cub that apparently had been born at his private zoo.<sup>xxxi</sup> Similarly, in 1995 Rhon was arrested at a Mexican airport after customs officials searched him and discovered a trove of animal skins and ivory from endangered species.<sup>xxxii</sup>

Oregon voters oppose gambling on greyhound racing

Polling conducted in 2021 by Thirty-Ninth Street Strategies found that 64% of Oregon voters would support a ballot measure to prohibit all gambling on greyhound races, including the processing of foreign dog track bets in Oregon. After hearing arguments for and against such a measure, support increased to 74%.

Thank you for your consideration of this good bill. It is a common sense proposal that deserves your support. I urge you to vote Yes for the dogs on HB 3020.

Respectfully,

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Carey M. Theil **Executive Director** 

- <sup>w</sup> Ebbert, Stephanie, "Mass. Voters approve dog racing ban," The Boston Globe, November 4, 2008, <u>https://files.grey2kusa.org/pdf/11-05-08-BostonGlobe.pdf</u> (accessed January 17, 2025).
  <sup>v</sup> "Dog Racing Now Officially Illegal in Connecticut," Connecticut Senate Democrats, October 4, 2024, <u>https://www.senatedems.ct.gov/dog-racing-now-officially-illegal-in-connecticut</u> (accessed January 17, 2025). vi Stites, Sam, Drake, Lauren and VanderHart, Dirk, "Oregon lawmakers say goodbye to Senate President Peter Courtney and slow toward a finish," OPB, March 3, 2022, https://www.opb.org/article/2022/03/03/oregon-
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ix "Statement by GREY2K USA on the Signing of House Bill 630 by Governor John Lynch and the End of Greyhound Racing," GREY2K USA, July 8, 2010, https://www.prnewswire.com/news-releases/statement-by-grey2kusa-on-the-signing-of-house-bill-630-by-governor-john-lynch-and-the-end-of-greyhound-racing-98037069.html (accessed January 17, 2025).
\* "Greyhound racing in New England ends with RI bill," The Associated Press, May 14, 2010, http://archive.boston.com/news/local/vermont/articles/2010/05/14/greyhound racing in new england ends with ri bill/

xiii The correspondence reads, in part, "In West Virginia, we have demonstrated our intention not to become involved in or seek to influence, on way or another, legislative efforts to end greyhound racing – as long as they preserve our licenses to own and operate the Wheeling Island and Mardi Gras casinos. As to a federal effort to phase out greyhound racing, we will remain neutral" (Hansberry, Brian, "Letter from Brian Hansberry to Christine A. Dorchak, Esq. and Wayne Pacelle," Delaware North, March 9, 2021).

xv "Advance Deposit Wagering," Oregon Racing Commission, https://www.oregon.gov/racing/Pages/Advance-Deposit-Wagering.aspx (accessed January 17, 2025).

<sup>xv</sup> "Licensees," North Dakota Racing Commission, <u>https://www.racingcommission.nd.gov/licensees</u> (accessed January 17, 2025).

xvi According to OAR 462-220-0060, ADW companies are operating under the legal theory that

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dx Achterling, Michael, "Animal advocacy group hopes dog race betting is on its last legs in North Dakota," North Dakota Monitor, June 24, 2024, https://northdakotamonitor.com/2024/06/24/animal-advocacy-grouphopes-dog-race-betting-is-on-its-last-legs-in-north-dakota/ (accessed January 17, 2025).
<sup>xx</sup> Dr. Lori Bohenko, Wheeling Island Racetrack Veterinary Report, (Charleston WV: West Virginia Racing Commission, 2022); Dr. Mark D. Webster, Veterinary emergencies, scratches, and racers inactivated due to track

injuries at Mardi Gras Casino & Resort (Charleston WV: West Virginia Racing Commission, 2022); analysis by GREY2K USA Worldwide.

xai Florida Department of Business and Professional Regulation, Division of Pari-Mutuel Wagering, Investigative Report for Case No. 2006029115 (Tallahassee, FL: July 20, 2006).

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<sup>xxiii</sup> Linda L. Blythe et al., Care of the Racing and Retired Greyhound.

xw National Greyhound Association, as cited in; David Ono, "Guam Greyhounds get fresh start in L.A., KABC Channel 7 TV News, February 20, 2009, http://abc7.com/archive/6670382/ (accessed January 17, 2025) "Licensees," North Dakota Racing Commission, https://www.racingcommission.nd.gov/licensees (accessed January 17, 2025).

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<sup>&</sup>quot;Greyhound Advocates Applaud Gov. Ned Lamont for Signing Bill to Outlaw Dog Racing," PR Newswire, May 9, 2024, https://www.prnewswire.com/news-releases/greyhound-advocates-applaud-gov-ned-lamont-forsigning-bill-to-outlaw-dog-racing-302141798.html (accessed January 17, 2025).

<sup>&</sup>lt;sup>III</sup> Diaz, George and Santich, Kate, "Greyhound racing Amendment 13 passes in Florida, phasing out sport by 2020," Orlando Sentinel, November 6, 2018, https://www.orlandosentinel.com/opinion/os-ae-greyhoundracing-amendment-13-vote-20181106-story.html (accessed January 17, 2025).

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