

Bill 1273: Facts vs. Grey2KUSA fiction

	Grey2K USA Allegation	Documented Facts	Source
1	It has no effect on any other activity at the dog track, nor does it impact horse racing.	<p>While it is true that bills like this and the decoupling bill in FL do not target horse racing, the horse people are on it.</p> <p>In addition, in a blog dated August 11, 2011, Mr. Theil indicated Grey2KUSA is working to ban simulcasting in several states. There is no reason to believe this activity will not extend to Arizona in future.</p>	<p><a href="http://www.harnesslink.com/www/Article.cgi?ID=95510">http://www.harnesslink.com/www/Article.cgi?ID=95510</a></p> <p><a href="http://blog.grey2kusa.org/2011/08/interstate-simulcast-gambling-supports.html">http://blog.grey2kusa.org/2011/08/interstate-simulcast-gambling-supports.html</a></p>
2	From 2006-2010, on-track attendance and betting on live racing declined by 39% and 69%, respectively.	<p>The economy tanked in 2008, and recovery is slow. These numbers are not altogether surprising. Total attendance increased in 2011 over 2010, as did the average wagering income for live racing, and total track revenue.</p> <p>In addition, in June 2011 TGP added an additional kennel and planned to increase the number of races from 13 to 15 in the near future. This was an additional increase from 12 to 13 – 14 earlier in the year.</p>	<p>ADOR 2011 Annual Report: <a href="http://www.azracing.gov/Archives/FY2011AnnualReport.pdf">http://www.azracing.gov/Archives/FY2011AnnualReport.pdf</a></p> <p><a href="http://www.azracing.gov/Archives/Minutes/Minutes2011/20110608_regularminutes.pdf">http://www.azracing.gov/Archives/Minutes/Minutes2011/20110608_regularminutes.pdf</a></p> <p><a href="http://www.azracing.gov/Archives/Minutes/Minutes2011/20110413_minutes.pdf">http://www.azracing.gov/Archives/Minutes/Minutes2011/20110413_minutes.pdf</a></p>
3	The state receives no revenue from pari-mutuel dog racing, as a result of a longstanding “hardship tax credit” afforded to track owners.	<p>In Florida Grey2KUSA is supporting continuation of track subsidies for 10 years. One must wonder why the approach is advocated in one jurisdiction and condemned in another. This is particularly true since the conditions that resulted in the introduction of the tax (competing gambling facilities) continue to exist.</p> <p>The racing commission itself is moving to a self-funding model, whose transition will be complete by mid-2013. This will result in an overall reduction in public funding of several million dollars. The racing business is a major contributor in the new funding model.</p>	<p>Florida Senate Bill 382 proceedings `during which Carey Theil was a presenter.</p> <p>ADOR 2011 Annual Report: <a href="http://www.azracing.gov/Archives/FY2011AnnualReport.pdf">http://www.azracing.gov/Archives/FY2011AnnualReport.pdf</a></p>
4	At Tucson Greyhound Park, greyhounds endure lives of terrible confinement, spending the majority of their days inside small, stacked cages.	<p>The crates at TGP meet or exceed regulation. Here is the regulation: The shape and size of the crate shall afford <b>ample space for the greyhounds to comfortably turn about, stand erect, sit and lie</b>, but the crate shall not be smaller than 31 inches wide, 42 inches long and 32 inches high.</p> <p>According to track personnel, most crates measure 32” wide x 42” deep x 33” high, in other words, larger than required.</p>	<p><a href="http://www.azsos.gov/public_services/title_19/19-02.htm">http://www.azsos.gov/public_services/title_19/19-02.htm</a></p>

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5		<p>There are other regulations that govern outings: The greyhounds shall be removed from their crate at least four times in each 24-hour period. The release time shall be sufficient to relieve bodily functions and to loosen cramped muscles.</p> <p>In fact, most turnouts are much longer (typically one hour). The crates of turned out hounds are cleaned while the hounds are outside - simple common sense suggests this takes some time. In addition to turnouts, the hounds are groomed, massaged, trained and sprinted. In between they rest in their crates. Most pet greyhound owners agree their hounds spend most of their day sleeping, and those hounds generally do not get the same amount of vigorous exercise daily that racing greyhounds do.</p>	<p><a href="http://www.azsos.gov/public_services/title_19/19-02.htm">http://www.azsos.gov/public_services/title_19/19-02.htm</a> See R19-2-324. Greyhound Housing</p> <p><a href="http://www.youtube.com/watch?v=HPkjlTyTfo4">http://www.youtube.com/watch?v=HPkjlTyTfo4</a></p> <p><a href="http://www.unitedgreyhoundracing.com/education.aspx?n=745874">http://www.unitedgreyhoundracing.com/education.aspx?n=745874</a></p> <p><a href="http://www.flickr.com/photos/dazzleme/sets/72157627145032411">http://www.flickr.com/photos/dazzleme/sets/72157627145032411</a></p>
6	<p>According to state records, more than 500 greyhounds were reported as injured, too sick to race, or too hurt to race in 2008. Injuries included dogs that suffered broken legs, broken backs, dislocations, amputations and paralysis.</p>	<p>“In a June 21, 2009 article in the Arizona Republic Grey2KUSA stated that in 2008 451 reported injuries at Phoenix Greyhound Park. 25 injured enough to require euthanasia. Grey2K claimed they came “directly off the injury report”. Therein lies a small but highly important omission, the groups injury report came from the injury reports and Veterinarians suspension report; which included ALL of the scratches at Phoenix Greyhound Park whether from being “lame”, “sick” or scratched by the judge.</p> <p>When we enter into the debate of looking at the gross number of injuries standing on its own or looking at the number of injuries that occurred versus the number of times a dog ran without receiving an injury we need to look at the overall picture. Let’s look at the facts broken down from this injury report by Clifton Gray a former trainer at Phoenix Greyhound Park.</p> <p>Percentage of dogs injured expressed as a percentage of total number of performances: .52% (one-half of 1%).</p> <p>Of that .52% (that’s a 1 in 200 chance of receiving ANY injury), the VAST MAJORITY of injuries listed in the report were general lameness, soreness, sprains, nicks and cuts, and other injuries remedied by a brief rest—in other words, injuries that could occur to any dog,</p>	<p><a href="http://www.greyhoundinfo.org/?page_id=68">http://www.greyhoundinfo.org/?page_id=68</a></p> <p>Injury chart: <a href="http://protectdogsandjobs.org/media/HSInjuryRates.jpg">http://protectdogsandjobs.org/media/HSInjuryRates.jpg</a></p>

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		<p>anywhere, at any given time, and probably at about that rate, as well. Again, we are required to file a report for any type of injury, no matter how small or insignificant.”</p> <p>Please see the accompanying chart showing relative sport injuries. You will see that boys football has a much higher injury rate than racing greyhounds.</p>	
7	Tucson Greyhound Park has refused to comply with a local ordinance requiring better treatment of its greyhounds.	<p>The track is self-regulating in this regard. They meet state regulations and kennels may choose to exceed them.</p> <p>Inspections performed during 2010 and 2011 found NO violations and resulted in no disciplinary action.</p>	<p><a href="http://www.tucsonweekly.com/tucson/no-shot-of-enforcement/Content?oid=1178181">http://www.tucsonweekly.com/tucson/no-shot-of-enforcement/Content?oid=1178181</a></p> <p>ADOR 2011 Annual Report: <a href="http://www.azracing.gov/Archives/FY2011AnnualReport.pdf">http://www.azracing.gov/Archives/FY2011AnnualReport.pdf</a></p>
8	Arizona remains one of the last seven states with dog racing.	Irrelevant. Furthermore, greyhounds can legally race in 49 states; it is racing for gambling that is disallowed.	
9	Arizona is a family-friendly state and tourist destination. But the negative publicity surrounding the treatment of greyhounds, the high number of racing injuries and the use of steroids at Tucson Greyhound Park hurts this image.	<p>Treatment: Greyhounds are, with a very small number of industry-condemned exceptions, well treated. Common sense dictates that a healthy, well cared for hound is most likely to turn in the best performance.</p> <p>Anabolic steroids: Per the Greyhound Racing Association: “Anabolic steroids cause weight gain and racing greyhounds have to be kept within a few pounds of their 'set' weight, established at the beginning of their racing careers. Too much variance and they get scratched from the race which doesn't do much for the trainer's budget. Besides, urine tests are conducted before or after each race and any drugs found, including those intended to mask the presence of enhancement drugs, would disqualify the dog. For some reason people seem to equate "hormones" to steroids. Female greyhounds are given hormones to keep them from going into heat (for obvious reasons) much like women take birth control pills to prevent pregnancy. Does this mean women are on steroids?”</p>	<p><a href="http://www.gra-america.org/the_sport/welfare/adoptionmyths.html">http://www.gra-america.org/the_sport/welfare/adoptionmyths.html</a></p>
1	At this terrible track, greyhounds	See item 4.	

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0	are kept confined in small cages which are barely large enough for them to stand up or turn around.		
1 1	They are fed raw 4-D meat, the meat of downed, diseased, disabled or dead livestock.	<p>Here is the regulation:</p> <p style="padding-left: 40px;">All meat shall be kept frozen or refrigerated until such time that it is to be thawed for immediate consumption.</p> <p style="padding-left: 40px;">2. Washrooms, basins, or sinks shall be readily accessible for maintaining cleanliness among greyhound caretakers and sanitizing of food and water utensils. Running water shall be immediately available and hot water shall be obtainable on the premises to properly disinfect dishes, utensils, or other equipment.</p> <p>And here is the experience-based truth (see GRA America reference):</p> <p>Anti-Racing groups frequently point to the fact that racing greyhounds are fed meat from, “dead, diseased, dying or disabled” cattle as evidence of abuse because it causes so-called “Alabama Rot” that kills many greyhounds. The truth is that when meat is purchased from a reliable packing facility and handled correctly, the possibility of occurrence of E. Coli infection is extremely small and incidences of Alabama Rot are rare.</p> <p>The U.S. Department of Agriculture has strict rules that regulate the source of meat approved for human consumption. Animals that do not meet those restrictions are designated 4D whether or not any of the above adjectives describe the reason for being considered unfit for humans. 4D meat is the primary ingredient in most pet foods, even premium brands. Pet food is cooked which kills the E. Coli bacteria, but also alters its nutritional composition. All attempts to replicate the diets of racing dogs with cooked food have resulted in failure. Racing greyhounds simply do not perform as well on a commercial diet as on one partially composed of raw meat. Many pet owners of a variety of breeds have converted to a B.A.R.F. (Bones and Raw Food) diet similar to typical racing greyhound fare.</p> <p>When handled in a safe manner, from the packing plant to the feed bowl, raw meat has proven safe and effective. Qual-Pet, the largest</p>	<p>R19-2-325. Grounds of the Racing Kennel, Breeding Farm, or Other Operation</p> <p><a href="http://www.gra-america.org/the_sport/articles/a_myths.html">http://www.gra-america.org/the_sport/articles/a_myths.html</a></p>

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		<p>supplier of meat to greyhound farms and kennels, has more than 40 years' experience in the preparation and distribution of meat. The meat is frozen immediately upon grinding and delivered frozen to its outlets. The meat is stored in freezers by farmers and trainers until it is needed and then thawed before it is mixed with other forms of feed and supplements. The E. Coli bacteria is not uncommon nor necessarily dangerous in small amounts. Indeed, the strain of E. Coli that causes Alabama Rot is found naturally in a variety of foods ranging from apples to alfalfa sprouts. Only when mishandled and allowed to multiply in meat that has not been refrigerated for a long period of time does it begin to pose a danger.</p> <p>In a similar example of fear mongering, one group even attempted to mislead the public by proclaiming that greyhounds were in danger of exposure to Mad Cow Disease via 4D meat. The truth, of course, is different. All cattle raised in America, regardless of whether their meat is destined for human or pet consumption, are tracked by the USDA and after they are slaughtered samples are collected and tested for Mad Cow. Greyhounds in the U.S. have no more chance of contracting Mad Cow Disease than do humans.</p>	
<p>1 2</p>	<p>While racing, greyhounds face the risk of serious injury. According to state records, between January 2007 and November 2009, nearly 1,000 greyhound injuries were reported at Arizona racetracks. The most common injury was a broken leg, and other reported injuries included fractures, sprains, dislocations, muscle tears and strains, lacerations, a cracked skull, broken backs, heat stroke, puncture wounds and paralysis.</p>	<p>Injuries: See item 6.</p>	

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<p>GREY2K USA relies exclusively on the public record and this record shows that in the last two reported years at TGP, with a base population of 600 dogs, nearly 1,000 injuries were reported by track officials. In these same records, trainers complain repeatedly about the poor and rocky track surface. (CD on Animal Planet)</p>	<p>Track surface: the track surface had issues in 2007. A number of remedial steps were taken including the acquisition of new surface maintenance equipment. Proper maintenance ongoing, in fact 20 tons of sand were added to the track surface in the middle of May, 2011</p>	<p>Animal Planet blog:  <a href="http://blogs.discovery.com/animal_news/2012/01/skechers-super-bowl-ad-to-promote-animal-cruelty.html">http://blogs.discovery.com/animal_news/2012/01/skechers-super-bowl-ad-to-promote-animal-cruelty.html</a>   <a href="http://www.azracing.gov/Archives/Minutes/Minutes2011/20110511_minutes.pdf">http://www.azracing.gov/Archives/Minutes/Minutes2011/20110511_minutes.pdf</a></p>
<p><b>The true face of greyhound racing</b></p>	<p>Please read / view the following links.</p>	<p><a href="http://www.unitedgreyhoundracing.com/education.aspx?n=745874">http://www.unitedgreyhoundracing.com/education.aspx?n=745874</a>   <a href="http://www.flickr.com/photos/dazzleme/sets/72157627145032411">http://www.flickr.com/photos/dazzleme/sets/72157627145032411</a>   <a href="http://www.greyhoundinfo.org/?page_id=288">http://www.greyhoundinfo.org/?page_id=288</a> (please read all the stories underneath)   <a href="http://www.gra-america.org/the_sport/welfare/adoptionmyths.html">http://www.gra-america.org/the_sport/welfare/adoptionmyths.html</a></p>
<p><b>Pari-Mutuel Tax – note different rates for horses vs. dogs</b></p>	<p>The pari-mutuel tax is assessed on the amount of money wagered daily at horse and dog racing facilities and simulcasts in Arizona. At horse tracks, the tax rate is 2% of the first \$1 million wagered and 5% of the amount wagered in excess of \$1 million. At dog tracks, the rate is 5.5% of the total amount wagered.</p>	<p><a href="http://www.azleg.gov/jlbc/psracing.pdf">http://www.azleg.gov/jlbc/psracing.pdf</a></p>
<p><b>How the Hardship Tax Credit works</b></p>	<p>Each year, a permittee is eligible for a hardship tax credit determined as follows [A.R.S. § 5-111]:</p> <ul style="list-style-type: none"> <li>• Determine the percentage decrease in pari-mutuel</li> </ul>	<p><a href="http://www.azleg.gov/jlbc/psracing.pdf">http://www.azleg.gov/jlbc/psracing.pdf</a></p>

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		<p>wagering in the previous fiscal year compared to the base year. The base year is defined as the highest total pari-mutuel wagering at the racetrack and all additional wagering facilities owned by the permittee for FY 1990 through FY 1994.</p> <ul style="list-style-type: none"> <li>• Multiply the total pari-mutuel tax liability for the current year by the percentage decrease determined above, and multiplying the result by 3.</li> <li>• Reduce the permittee’s pari-mutuel tax due for the current period, and all future periods, by the result.</li> </ul> <p>The calculation for 2011 and resulting available tax credit for 2012 may be found on page 29 of the ADOR 2011 annual report.</p>	<p>ADOR 2011 Annual Report:  <a href="http://www.azracing.gov/Archives/FY2011AnnualReport.pdf">http://www.azracing.gov/Archives/FY2011AnnualReport.pdf</a></p>
	<p>Summary of the bill</p>	<p>See next page</p>	<p><a href="http://www.azleg.gov//FormatDocument.asp?inDoc=/legtext/50leg/2r/summary/s.1273nrt.doc.htm&amp;Session_ID=107">http://www.azleg.gov//FormatDocument.asp?inDoc=/legtext/50leg/2r/summary/s.1273nrt.doc.htm&amp;Session_ID=107</a></p>
	<p>Note about the Department of Racing’s future</p>	<p>It appears ADOR is moving from being an independent agency to an arm within the Department of Gaming, which oversees the casinos. Apparently the two are required to keep their funding separate although they will share administrative services.</p>	<p><a href="http://www.ospb.state.az.us/documents/2011/FY2012-ExecutiveBudget-AgencyDetail.pdf">http://www.ospb.state.az.us/documents/2011/FY2012-ExecutiveBudget-AgencyDetail.pdf</a></p> <p>See page 182 onward</p>

## ***ARIZONA STATE SENATE***

*Fiftieth Legislature, Second Regular Session*

### **FACT SHEET FOR S.B. 1273**

dog tracks; live racing exception

#### **Purpose**

For purposes of simulcast wagering, reduces the number of live dog races that a racetrack in Pima County is required to conduct.

#### **Background**

The Arizona Racing Commission (Commission) regulates and supervises horse and dog racing, as well as authorized wagering on such races. The Commission currently authorizes three permittees (i.e. commercial racetracks) in Maricopa, Pima and Yavapai Counties to conduct live horse races, and there is one commercial track currently conducting live *dog* racing in Pima County. In addition, commercial racetracks in Arizona can operate additional wagering facilities, which are a permittee's off-track locations where wagering on races occurs but no live racing is conducted.

The practice of allowing patrons at a racetrack or its off-track facilities to watch and wager on races being conducted at other tracks outside of Arizona is referred to as simultaneous broadcasting, or simulcasting. Authorized by the federal Interstate Horse Racing Act of 1978, simulcasting involves the transmission of live audio and visual signals of horse or dog races and related information between racetracks in the country for the purpose of wagering. Arizona racetracks may receive simulcasts from other racetracks and can also export their simulcasted signal of races to other authorized locations (A.R.S. § 5-112).

Arizona racetracks may receive televised simulcasts on days when live races are scheduled and also when there is no live racing conducted so long as the requirement to run a certain number of live races on a certain number of days throughout the year is met. Statutory requirements regarding the minimum number of live races and days that a permittee must hold in order to simulcast or dark day simulcast vary by county. Dark day simulcasting refers to those days when a permittee receives live simulcasts from other racing jurisdictions at its facility or off-track locations but does not conduct live racing.

Dog racing permittees in counties with a population of more than 500,000 but less than 1,500,000 (Pima County) must conduct at least nine daily races, four days per week for fifty weeks at its track in order to receive simulcasts. Furthermore, off-track locations can only conduct dark day simulcasting on as many days as the permittee is scheduled to run live dog races (i.e. one dark day of simulcasting for one day of live racing during

its permit period). Tucson Greyhound Park is located in Pima County and is currently the only commercial racetrack conducting live dog racing in the state.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

### Provisions

1. Reduces the minimum number of days, from four days per week for fifty weeks to 100 days in the calendar year, that live dog racing must be conducted by a commercial racetrack in Pima County in order for that track to receive simulcasts at its facility and its off-track locations.
2. Provides for live dog racing to be further reduced in Pima County if the permittee and kennel owners agree to a lesser number through written contract. The contract must be entered into by February 1 of each year.
3. Exempts a Pima County dog track from the one-to-one live-to-dark day simulcasting requirement at its off-track facilities *if* the dog track has offered live racing at its facility for eight of the last ten calendar years.
4. Makes technical changes.
5. Becomes effective on the general effective date.

Prepared by Senate Research

February 1, 2012

TD/ly

### Notes / Questions:

→ 9 performances \* 4 \* 50 = 1800 performances

→ 4 \* 50 = 200 days, so new bill cuts number of live racing days required in half, and allows for further reductions if everyone agrees

→ is live racing viable financially for the kennels and tracks at such a low number of racing days?

→ no impact on the state general fund because currently the tracks pay no taxes

→ there is no mention of number of performances required on those days, does that mean it stays the same?

→ how would this work, i.e., if kennels wanted to but track management doesn't; or visa versa; or if all but x number of kennels agreed

→ under the reduced days plan, does that mean the track and OTB facilities can receive simulcasts every day of the year if they want to, i.e., the only obligation the live track must fulfill is its 100 days of live racing?

→ what technical changes are being made?

