

## Water Hay Oats Alliance Talking Points

**A dark cloud is looming over horse racing today.....drugs and doping.** Gone are the days of Seabiscuit and Man o' War, when racing was America's number one spectator sport, when the eyes of the nation followed their favorite racing heroes and when racetracks were filled with cheering fans.

Since Senator Charles Mathias called for medication reform in 1982 with the *Corrupt Horseracing Practices Act (S.1043)*, our industry has been unable to come together to bring "clean racing" to our sport. Over the last **35 years**, with no central "league office" or commissioner and as medication rules have become more lax, racing has proved unable to adequately police itself. Too often the very regulators we entrust to regulate the sport have significant investments in the sport creating conflicts of interest that cannot be overcome. **We cannot both promote and police our sport.**

The Horse Racing Integrity Act of 2017 (HR 2651) places **standardized drug testing and methodology, lab accreditation, uniform penalties and enforcement** in horse racing under the watchful eye of the United States Anti-Doping Agency (USADA), the very same independent anti-doping agency that caught Lance Armstrong and that oversees drug testing in all Olympic Sports.

Other sports have met and addressed similar challenges by engaging **independent, third party** organizations to oversee their respective drug testing programs. The legislation, when enacted, would create an **independent, nationwide, drug-testing program for horse racing** under the management and oversight of the United States Anti-Doping Agency (USADA).

HR2651 addresses **all racing disciplines**: Thoroughbred, Standardbred and Quarter horse.

**Horse racing in the United States is generally perceived as having the most liberal drug rules among all international jurisdictions, especially when it comes to race-day medication.** International racing jurisdictions follow much stricter rules that are uniformly applied. Anti-doping efforts in human sports created the World Anti-Doping Agency (WADA), the parent code of drug rules and enforcement for all professional and amateur competitions. International horse

racing followed suit with the principles and practices embodied in the International Federation of Horseracing Authorities (IFHA) agreement. It is time for horse racing in the U.S. to do the same: create strict rules and enforcement procedures that trace to the IFHA and apply them to all states.

We need **federal legislation to bring uniformity to state-run racing jurisdictions**. Currently, regulation of horse racing in the United States is highly **fragmented among 38 racing jurisdictions**, each with its own state racing commission, each with different rules and medication policies. This state-by-state patchwork system has led to a wide disparity in the effectiveness of rules, drug testing, and enforcement, which has compromised the integrity of the sport.

HR2651 has an impressive list of **bipartisan** supporters, including the two Congressmen who introduced it: Andy Barr (R-KY) and Paul Tonko (D-NY). Both of them have a deep appreciation for the economic impact of Thoroughbred breeding and racing as they come from two of the premier breeding and racing states in the country. They are the co-chairmen of the Congressional Horse Caucus. (The Congressional Horse Caucus is a bipartisan group of Members of the House of Representatives formed to educate Members and their staff about the importance of the horse industry in the economic, agricultural, sporting, gaming and recreational life of the nation.)

**IMPORTANTLY**, this legislation requires **no federal funding**: the horse racing industry will pay the funds necessary for the establishment and administration of the anti-doping program. It requires **no federal oversight**; the legislative designation of USADA would relegate policing and oversight of the sport's drug testing program to an independent agency.

The legislation is strongly endorsed by the **Coalition for Horse Racing Integrity** (CHRI), a broad-based group of racing industry representatives including the founding members: Water Hay Oats Alliance, The Jockey Club, and the Humane Society of the United States (HSUS). For more information, go to the CHRI website: **<http://www.horseracingintegrity.com>**.

Currently, racing is losing support among its fan base. Pari-mutuel handle is dropping significantly and racetracks are closing.

**Here are the facts:**

Pari-mutuel handle in the United States has fallen nine of the past twelve years. Since 2004-2005, handle has fallen eight times year after year.

Since 2003, handle in the United States has fallen 29.2% and the foal crop has shrunk almost 40%.

From 2004-2011, handle in the United States dropped from \$15.1 billion to \$10.8 billion.

In the 1950's, a racehorse averaged 45 lifetime starts; today, it is 11. In 1950, Thoroughbreds ran an average of 10.91 times per year. In 2016, Thoroughbreds ran an average of 6.20 times per year. The drop in the number of starts directly coincides with the growing use of medication and drugs in racing.

**National polls** continue to confirm that the use of performance-enhancing drugs and the inadequacy of drug testing programs rank as the foremost concerns among the sport's advocates and fans.

- Here are the facts from a 2015 Penn Schoen Berland survey:  
90% of Americans polled support national uniform rules.  
83% of Americans, 91% of horseracing fans and 91% of animal welfare supporters favor legislation to create an oversight role for USADA, an independent science-based organization, to provide uniform medication and performance enhancing drug (PED) regulation across all racing jurisdictions.
- And from an open poll in The Paulick Report:  
The majority of readers polled ranked medication reform as the biggest issue in growing our sport.

**Based on these facts**, the future does not look good for American racing. In 2011, the prominent management consulting firm of McKinsey & Company produced a comprehensive economic study of our sport. Without serious intervention or new growth strategies, the researchers predicted that the sport would look like this by the year 2020:

- Handle would be down 25%
- The number of tracks would shrink by 27%
- Owners losses would grow by 50%

According to the American Horse Council's most recent **economic impact** study, horse racing has an economic impact of \$26 billion dollars annually.

- It has a direct economic impact of \$10.7 billion dollars.
- As for jobs, horse racing accounts for 146,000 direct jobs and nearly 400,000 total jobs.
- The Gross Domestic Product (GDP) effect for racing is over \$26 billion dollars annually.

We must take every measure possible to ensure the health of the sport and the economic benefit it provides. HR2651 is our only hope to halt the deterioration of horse racing and to prevent further decline of our industry.

It's now or never.