

Hearing Shows Racing at Critical Point

by Tom LaMarra

Date Posted: 6/19/2008 5:12:56 PM

Last Updated: 6/21/2008 1:44:34 PM

Drugged equines, grisly catastrophic breakdowns, greedy breeders, damaged racehorses with nowhere to go, inaction and confusion, and industry leaders more concerned with holding onto power than doing the right thing—a congressional subcommittee heard it all June 19 during a hearing in Washington, D.C.

An observer easily could come to the following conclusion: Blow it up and attempt to rebuild it from scratch.

That's not going to happen. But the prospect of federal regulation of the horseracing industry looms larger today than it did even a few months ago if comments by members of the Subcommittee on Commerce, Trade, and Consumer Protection under the House Committee on Energy and Commerce are any indication.

In addition, witnesses called to testify, including prominent owners and breeders, said they believe the time has come for federal intervention given the fact horse racing continues to struggle with issues that should have been corrected almost 30 years ago. Others, however, don't agree, and want more time for the industry to make the necessary changes.

The hearing, titled "Breeding, Drugs, and Breakdowns: The State of Thoroughbred Horseracing and the Welfare of the Thoroughbred," came less than two months after the filly Eight Belles broke down and was euthanized as she galloped out after the Kentucky Derby Presented by Yum! Brands (gr. I) at Churchill Downs. There could be another hearing, members of Congress said, but it remains to be seen whether they will result in legislative action.

"This hearing is a wake-up call for you," said Florida Congressman Cliff Stearns, a member of the subcommittee. "There is abuse in your industry, but you would know better than I. We want you to regulate yourself, but we do have jurisdiction here."

The "stick," as some called it, is the Interstate Horseracing Act, which governs simulcasts across state lines, including account wagering. Proposals to reopen the document strikes fear in some racing quarters because it gives consent rights for the transmission of signals.

Members of Congress have discussed using the IHA as a means to make the racing industry comply with reforms; for instance, ban steroids or lose your simulcast rights. Also, ideas have been floated to dedicate percentages of revenue from handle to fund drug testing, insurance for jockeys and backstretch workers, and other projects.

"This is the only industry allowed by Congress to conduct interstate gambling to the tune of more than \$15 billion a year," said Congressman Joseph Pitts of Pennsylvania. "That's a tremendous amount of money for an industry with little or no accountability."

To intervene or not to intervene?

Kentucky Congressman Ed Whitfield, long a proponent for revisiting the IHA, reminded the racing industry it came to Congress to enact the IHA and later amend it. He said “greed has trumped” important aspects of the sport such as safety of jockeys, strength of the breed, and integrity.

“Just when Congress looks at the horse racing act as a vehicle to improve the sport, you run away and say, ‘The federal government shouldn’t be involved,’ ” Whitfield said. “We have a responsibility to set minimum standards.”

A poll of the first round of industry witnesses produced interesting results on the subject of federal regulation. Most said it’s needed.

Alan Marzelli, president of The Jockey Club, whose Thoroughbred Safety Committee issued [recommendations](#) June 17, said he would like to see an industry-led central body for racing, not federal intervention. Whitfield questioned his position.

“What I have heard from the rest of the testimony is these kinds of efforts have failed,” Whitfield said. “Why do you think it would succeed this time?”

“I’m an optimist,” Marzelli said. “We certainly do make it difficult on ourselves. But I have seen a lot of support for our recommendations. I would like to see if we can get them implemented.”

Longtime owner/breeder Arthur Hancock was blunt in his assessment. He said the industry is a “conglomeration of different entities, each of which has its own function and its own agenda.” He rattled off a list of alphabet-soup organizations and said: “All of these fiefdoms have their own Nero-like CEOs, and each of them envisions himself as the savior of racing. Most of them don’t even own a horse.”

Hancock said he supports congressional action given the fact racing has failed to mandate changes. “It never happened, and it never will unless you mandate it through the Interstate Horseracing Act,” Hancock told lawmakers.

Owner/breeder Jess Jackson, often at odds with some in the industry because of his positions on transparency in horse sales, told subcommittee members owners need to take back the game. He suggested removing two words—“and trainers”—from the IHA to give owners the right to negotiate on matters such as revenue from wagering and purses.

“Why give power to an agent?” Jackson said of the IHA. “The IHA needs to be amended. Trainers are under the thumb of the racetracks. We need a national organization to represent owners. Owners will unite themselves as a group and come together voluntarily and cure problems if you just let them.”

Were all sides represented?

Jackson made no reference to the Thoroughbred Owners and Breeders Association, the national owners' group, or the National Horsemen's Benevolent and Protective Association, which contends many of its members own and train. Neither group was asked to testify at the June 19 hearing, something some officials believe skewed the result.

"Noticeably absent were all the groups being criticized," Alex Waldrop, president and chief executive officer of the National Thoroughbred Racing Association, said after the hearing ended. "We should have had (representatives from about 20 other groups) here today. We got one side of a very complicated but reasonable debate in our industry."

Waldrop was called to testify, and in his remarks outlined the current landscape. He said the pari-mutuel racing industry partners with state government for regulation, which makes enactment of uniform rules a challenge. Still, he said the industry has made strides in the areas of race-day medication and equine health and safety.

"Some are questioning whether our industry has the governing structure necessary to effect change," Waldrop said. "I can't speak to the distant past, but I can tell you that recently this industry has been making great strides toward uniformity at a national level, and the NTRA has been an important catalyst for change."

Waldrop said the "last thing this industry needs is another level of bureaucracy."

Drug issue stalking industry

The hearing began with comments from Illinois Congresswoman Jan Schakowsky, vice chair of the subcommittee who filled in for chairman Bobby Rush of Illinois. They weren't pretty.

Schakowsky, in describing the horseracing industry, said "horses are doped-up," and "almost no one pays attention to what they're lives are like after they retire. It seems greed has trumped the health of horses, the safety of jockeys, and the integrity of the sport."

"Work with us to clean up your sport," she told the industry witnesses. "Work with us to save Thoroughbred racehorses from destruction on the track."

Trainer Jack Van Berg, one of the witnesses, advocates using a small percentage of simulcast revenue to fund drug testing throughout the country. He said there is no place for race-day drugs in horses.

"You've got to have the money to do the finest testing possible," Van Berg said. "You need to abolish all medications, with no race-day thresholds. The current rule has compromised the integrity of horse racing."

Hancock reiterated his calls for a drug ban. He said "there will be more frequent and severe catastrophic injuries in the future, and these will do us irreparable harm regardless of track

surface. It is a vicious cycle. Chemical horses produce chemical babies. Drugs must be banned if we are going to survive as an industry, and if Thoroughbreds are going to survive as a robust breed.

“Believe me, we are in peril.”

The hearing was held to only discuss Thoroughbred racing issues. However, any effort to alter the IHA would impact other racing breeds, such as Standardbreds and Quarter Horses. It would appear based on lawmakers’ comments they, too, would have to comply with prospective mandates.

A second panel discussed equine health and safety issues. One of the witnesses, Dr. Larry Soma of the University of Pennsylvania, said furosemide, now called Salix (formerly marketed under the trade name Lasix), doesn’t prevent bleeding in racehorses, improves performance, and dilutes other drugs in urine samples.

Most horses now race on Salix; there have been no serious recent discussions about banning the drug on race-day.

Reaction to the proceedings

The hearing drew a standing-room-only crowd to a room in the Rayburn House Office Building. When it ended, most attendees indicated they weren’t surprised at the developments—and they wouldn’t anticipate what comes next.

“I’ve learned never to handicap Congress,” said Ed Martin, the president of the Association of Racing Commissioners International who supplied preliminary statistics to the subcommittee but wasn’t asked to testify. “Certainly the issues need solutions, and this hearing can start a dialogue.

“I do think there was some misinformation here in regard to performance-enhancers on race day. California is comparable to most major jurisdictions. They do a very good job, as do a number of states.”

Martin spoke in reference to testimony by California Horse Racing Board chairman Richard Shapiro, who said California tests more and is “more vigilant than other states.” No statistics were offered to that effect.

“My fear is this could result in duplication, inefficiency, and a potentially chaotic situation,” Martin said of federal intervention. He said if something is proposed, it “must be workable, make sense, and channel the needed resources to the integrity issues this sport faces.”

Robert Colton, a jockey who recently came out of retirement and who is active in jockey health and safety issues in Delaware, where he currently rides, said he hopes for progress.

"It's disappointing the jockeys had no representation here," said Colton, who attended similar hearings into jockey health issues a few years ago. "Some of those in the industry who suffer the

greatest should have a voice. I hope this is not another (effort) that has nothing happen. It's past due, and hopefully a good start."

Holly Hazard, chief innovations officer for the Humane Society of the United States, said the HSUS supports congressional oversight of horse racing. The group has floated the concept of a National Racing Commission.

"It's the only path to reform, and everyone agrees reform is necessary," Hazard said.

Roy and Gretchen Jackson, who bred and owned 2006 Kentucky Derby winner Barbaro, were on hand for the hearing. Barbaro injured himself in the Preakness Stakes (gr. I) that year and succumbed the following winter after months of treatment and rehabilitation.

Gretchen Jackson said she's an optimist when it comes to horse racing. "I'm excited, because they were issues that have been tormenting all horses for quite some time," she said. "It looked like everyone was pretty much in agreement. Hopefully, the (issues) will be dealt with soon."

Roy Jackson said that since the Barbaro incident, things have come to the surface in the racing industry. "An awful lot of people are tired of committees and talk," he said.

Greg Means of The Alpine Group, the NTRA's Washington, D.C., lobbyist, said the chances of legislation being introduced to address racing reform is "strong, but exactly what it will be like, we don't know." Means said if a bill is introduced, its chances of passage are "slim because of a number of factors."

Waldrop called on the industry to act—and fast.

"This is a wake-up call," said Waldrop, who months ago predicted at least one congressional hearing would be held. "We cannot afford to wait another day. I see a will to act that I've never seen in this industry.

"But it's time to call people out. Who's on board, and who's not?"

Copyright © 2008 The Blood-Horse, Inc. All Rights Reserved.