

Ban on greyhound racing takes a small step in Iowa Legislature

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If state lawmakers agree to let casinos end live dog racing in Iowa, greyhound owners and kennels would be paid a “soft landing” fee and the state treasury would get an extra \$10 million a year, according to a proposed bill.

Legislators now face a decision: Should they accept cash to let casinos off the hook for their obligation to subsidize dog racing? Or keep dog racing going for the sake of the economic boost from the small but thriving dog-breeding industry?

This is the second year in a row that Harrah’s Entertainment, Inc. has lobbied to get out of a state law that’s become increasingly expensive for the company.

The bill would affect Harrah’s dog track in Council Bluffs and Mystique’s dog track in Dubuque.

Three senators assigned to study the bill agreed today to advance it.

But one, Sen. Jack Hatch, D-Des Moines, said he won’t support the bill unless it requires Iowa’s two casino racetracks to make \$10 million payments each year indefinitely.

As written, the bill calls for the payments to the state’s general fund to end after seven years. Hatch said he also would like answers on how this would affect the Dubuque casino and the greyhound industry in general.

The bill, Senate Study Bill 1064, would let the two casino-racetracks to discontinue live dog races but continue wagering on simultaneously telecast dog races.

It would boost the licensure fee for the Dubuque dog track to \$3 million a year for the next seven years. And the license fee for the Council Bluffs track would be \$7 million.

The bill also creates a “greyhound owners and kennels retirement fund” under the control of the state racing and gaming commission. Money would come from a state fund that by law promotes dog racing and from purse money the casinos would have paid out.

The retirement fund money would be disbursed by the commission “in an equitable manner.”

Jennifer Jacobs



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On this issue, animal advocacy groups nationally and anti-gambling activists are on the same side as Harrah's casinos.

A lobbyist for Harrah's, Jim Carney, told the subcommittee members that only seven states continue to race dogs.

"Dog racing is simply dead," Carney said. "I mean, that's a fact."

The live handle, the amount of money consumers wagered at both tracks, has dropped from \$7.3 million in 2008 to \$6.2 million last year, according to racing and gaming commission records. That's a 15 percent drop, he pointed out.

A lobbyist for the greyhound industry, Don Avenson, countered: "It's a growing industry."

Avenson said the state's racing and breeding industry employed about 800 people in 2003, and now employs 1,237, according to a study by Iowa State University professor Dan Otto.

Avenson argued that Harrah's bought the Council Bluffs track 2001 "with the full knowledge they'd have to maintain that subsidy." If Harrah's isn't forced to invest in this Iowa agricultural industry, it would ship those profits to its Las Vegas headquarters.

David Robinette, who owns Plum Creek Kennel in the town of Elliott, said he has raced dogs for 30 years. He said he and his wife and five children moved to Iowa in 1998 because of the state's racing program.

"It does work," Robinette told lawmakers. "It's the best thing that ever happened to us."

State law tightly binds casinos to dog racing.

As the popularity of greyhound tracks dwindled in favor of riverboat gambling and slot machines, state lawmakers in 1994 devised a strategy: In order to have slot machines, the Council Bluffs track had to race dogs 290 days a year; the Dubuque track 130 days. Both tracks were required to then use gaming profits to keep afloat the greyhound side of their business.

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