

# **UPDATE: Lawmakers, local leaders applaud Branstad's backing of greyhound bill**

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DES MOINES -- Iowa Gov. Terry Branstad has signed into law a measure that allows Mystique Casino to cease greyhound racing operations at the end of 2014 but allows an industry group to continue races at the track.

The legislation was the result of months of negotiations between representatives of Iowa's greyhound racing industry and dog racing casinos in Dubuque and Council Bluffs.

Branstad signed the bill this evening.

"The governor and lieutenant governor heard from a number of individuals and organizations regarding the bill. Gov. Branstad had concerns about the bill, but ultimately, this bill will assist in economic development and support philanthropic organizations in both Dubuque and Council Bluffs," said Branstad spokesman Jimmy Centers.

Under the new law, Mystique Casino will pay a \$7 million settlement over seven years to the greyhound industry and will be allowed to end racing after this season.

The Iowa Greyhound Association has the opportunity to lease the track and operate races starting in 2015. Bob Hardison, president of the IGA board of directors, said many decisions still have to be made. However, he said he fully expects his organization to exercise its option to take over track operations in 2015.

"We're grateful for the overwhelming bipartisan support the bill had in the legislature," Hardison said. "What it means for us is we have a chance to continue live greyhound racing in Iowa, not at the level that it was, but we're thankful we have a track that we can keep racing at."

The racing casino in Council Bluffs will pay a \$65 million settlement and could end racing at the end of 2015.

The tracks were required to race greyhounds under a previous agreement signed in 1994. Mystique, which is operated by the nonprofit Dubuque Racing Association, spent approximately \$4 million last year covering the difference between gambling revenue and prize payouts, according to Mystique President and CEO Jesus Aviles.

Dubuque officials said that is money that could otherwise go toward charitable grants or into the city's general fund.

Aviles said he was "elated" that the governor signed the bill into law.

“This is good news for Mystique, for the DRA, for the city, for the county, for the not-for-profits,” he said. “This is good news all around.”

Dubuque Mayor Roy Buol said the end of racing subsidies will go a long way toward easing the city’s financial burdens.

“If you look at this year for instance, we had to cut \$2.39 million from our (capital improvement) budget,” because of a shortfall, Buol said. “Had we not been paying that subsidy for dog racing ... we would have had \$2,150,000 that we could have put into our CIP budget. We would have had to make very few, if any, cuts this year.”

The bill's passage was welcome news to local legislators as well.

Iowa Rep. Pat Murphy, D-Dubuque, originally opposed the notion of ending greyhound racing in Iowa, citing concerns over job losses. But he supported the final negotiated version of the bill.

"I'm glad that he signed it. This was something that the different parties who were affected worked it out, and it does keep jobs in the state," Murphy said. "The greyhound breeders agreed to it, the union, the tracks, the owners ... I think this was a good compromise."

Iowa Rep. Brian Moore, R-Bellevue, who has greyhound breeders in his rural northeast Iowa district, also applauded the governor's decision.

"It's great," Moore said. "A lot of people put a lot of work into this. I'm just happy to get it resolved. It took the parties to compromise. The entities did what we requested them to do."

The state Legislature passed the bill earlier this month. Branstad announced his decision just before the June 2 deadline.

While mulling his decision, Branstad expressed concerns that the bill allows casinos to offer simulcast racing on dog and horse races without providing a portion of that revenue to the horse racing industry. He also expressed concerns that the settlement did not send any money to the state, and with the potential settlement payout structure.

"The governor remains committed to Iowa’s horse industry and would welcome legislation in the future to support it," Centers said.

Anti-greyhound racing organization Grey2K USA lobbied Branstad to sign the bill. Iowa is one of only seven states that still hosts greyhound racing, so any reduction to the industry could have an impact nationwide, according to Grey2K USA Executive Director Carey Theil.

“The bill ... is not perfect,” Theil told TH Media earlier this week. “I think it’s disturbing that the greyhound breeders are getting this huge windfall payout. But despite those concessions, which I would term as major concessions, there’s no doubt about it, but the bill ... does end greyhound racing subsidies in the state.”

Ric Jones, who sits on the Dubuque City Council and on the DRA board, praised the efforts of legislators, city officials and IGA leaders to reach a fair resolution.

“Six months ago, the parties were miles apart,” Jones said. “It looked hopeless. It looked like it could never happen. But they got it done.”