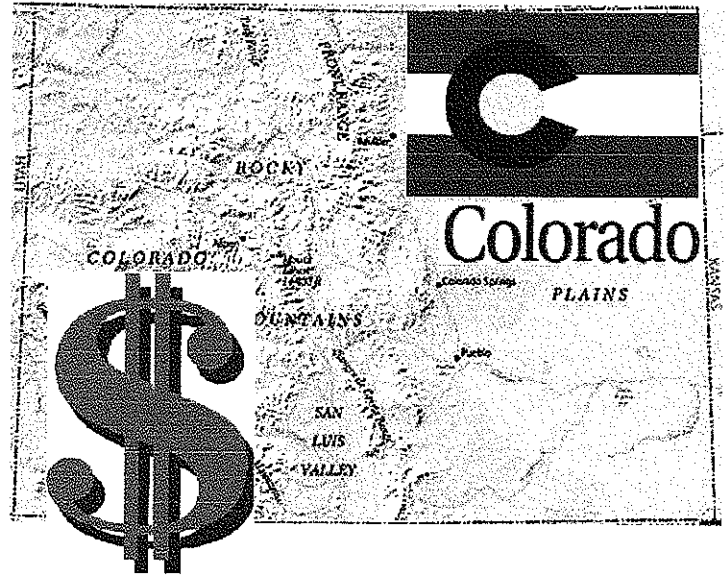


# Increase State Tax Revenue - Ensure No State Subsidy



## A vote for SB09-174 would:

- Allow Simulcast Greyhound betting without requiring Live Greyhound Racing
- Allow Simulcast Horse betting with limited Live Horse Racing
- Eliminates Racing Industry "Self Funding" Payment to State for CO Div. of Racing Costs

**ENSURE NO STATE SUBSIDY – STATE CAN'T AFFORD IT !**

## Direct State Costs for Gambling – Must be paid by Racing Industry that Profits from it

### Preserve Self-Funding – Don't Eliminate it

- ▶ Continue "Self Funding" by Racing Industry to pay cost of CO Dept. Revenue Div. of Racing Section 8 12-60-701 (page 16) language must be preserved, not eliminated :

"The commission shall establish and adjust annual fees for the race meet license and all other licenses issued pursuant to this article to generate revenue that approximates the direct and indirect costs of administering this article. Such fees shall be credited to the racing cash fund created in section 12-60-205."

**STATE TAX REVENUE - TREND TO SIMULCAST – DECLINE IN LIVE GREYHOUND RACING**

### Colorado Division of Racing Reports 1998 – 2007 – Greyhound Portion

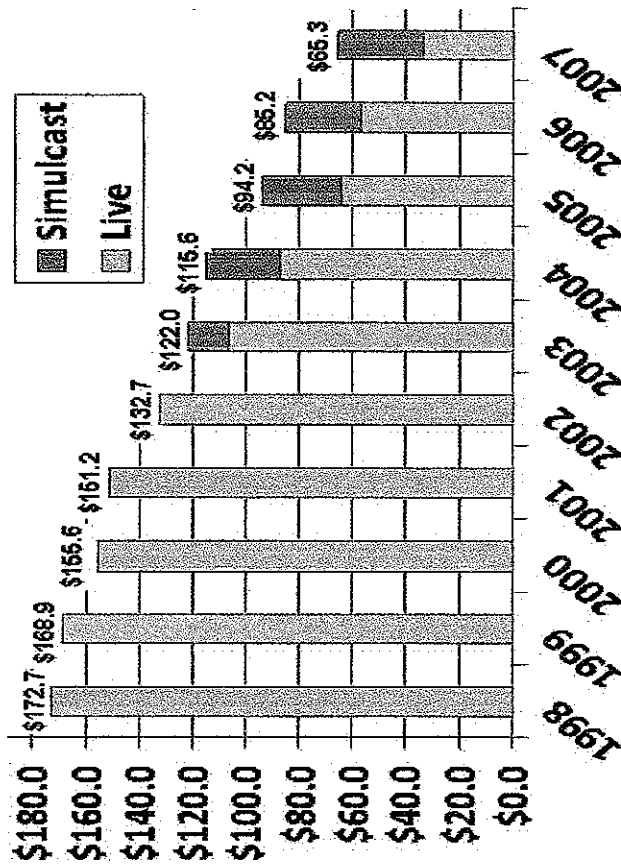
- ▶ Total State Taxes have Decreased 56%
- ▶ Live Racing Taxes have Decreased 85% while Simulcast Taxes have Increased from 0 to 64% of Total Taxes

### Trend Nationwide – Live Greyhound Racing is a Dying Industry

- ▶ 40 States have ended live greyhound racing and/or greyhound racing is prohibited
- ▶ Nationwide 30% of greyhound tracks have closed in the last four years (14 Tracks have closed since 2004.)

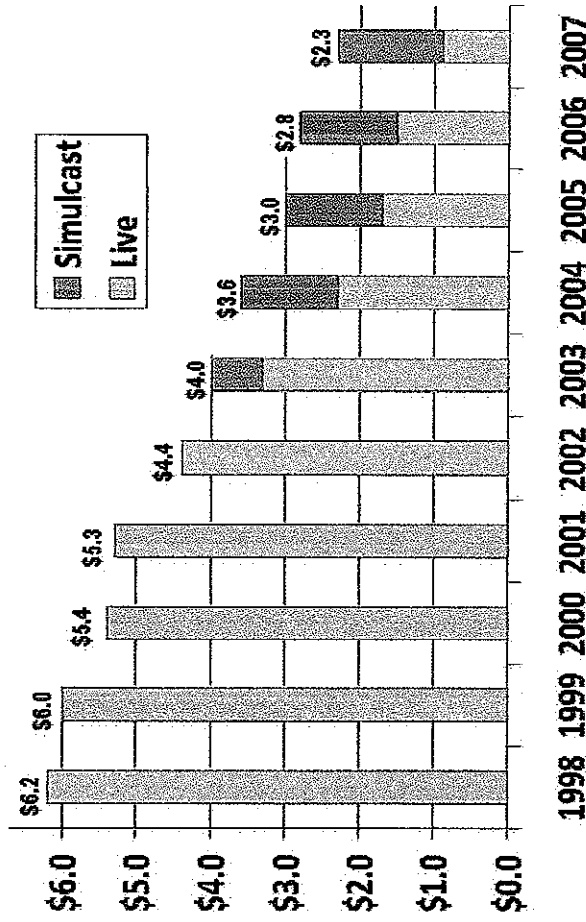
# Colorado Greyhound Racing 1998 - 2007

Handle (Betting Amount) In Millions



Total Betting ↓ 62%  
 ↑ 80% Live Racing  
 ↑ Simulcast now 48% of Total

State Tax Revenue In Millions



Total Taxes ↓ 56%  
 ↑ 85% Live Racing  
 ↑ Simulcast now 64% of Total

Source: Colorado Division of Racing Events Annual Reports 1998 - 2007 (no report yet for 2008)

## Quotes From

### Saturday could be last day of live dog racing in Colorado by Aaron J. Lopez, Rocky Mtn News Jun. 23, 2008 :

"...Barring an 11th hour agreement between the owners of Mile High Greyhound Park and the Colorado Greyhound Kennel Association, Saturday will mark the final day of the 2008 live racing season.

If and when the dogs return to run in Colorado is anyone's guess.

"I never thought I'd see the day they would go," said Morris, her voice choking with emotion. "You have to try to be upbeat when I'm in there talking to them. . . . It's just devastating."

Track officials are planning to open for racing again next April, but some kennel operators are preparing to close shop for good, while others are in the process of moving their dogs to others state.

Few are optimistic about returning in 2009..."

"...Officials at Mile High Racing and Entertainment paint a different picture, saying a sagging economy, Denver's competitive marketplace and mountain gambling have taken their toll.

**They point to the closing of Cloverleaf Kennel Club, which called off the dogs at the end of 2006. The Loveland track went under after 51 year of live racing...."**

"... Mile High general manager Bruce Seymore said the track lost \$700,000 in 2007 after being profitable in 2006. Among the primary expenses was the estimated \$25,000 to \$40,000 per month cost to heat the track...."

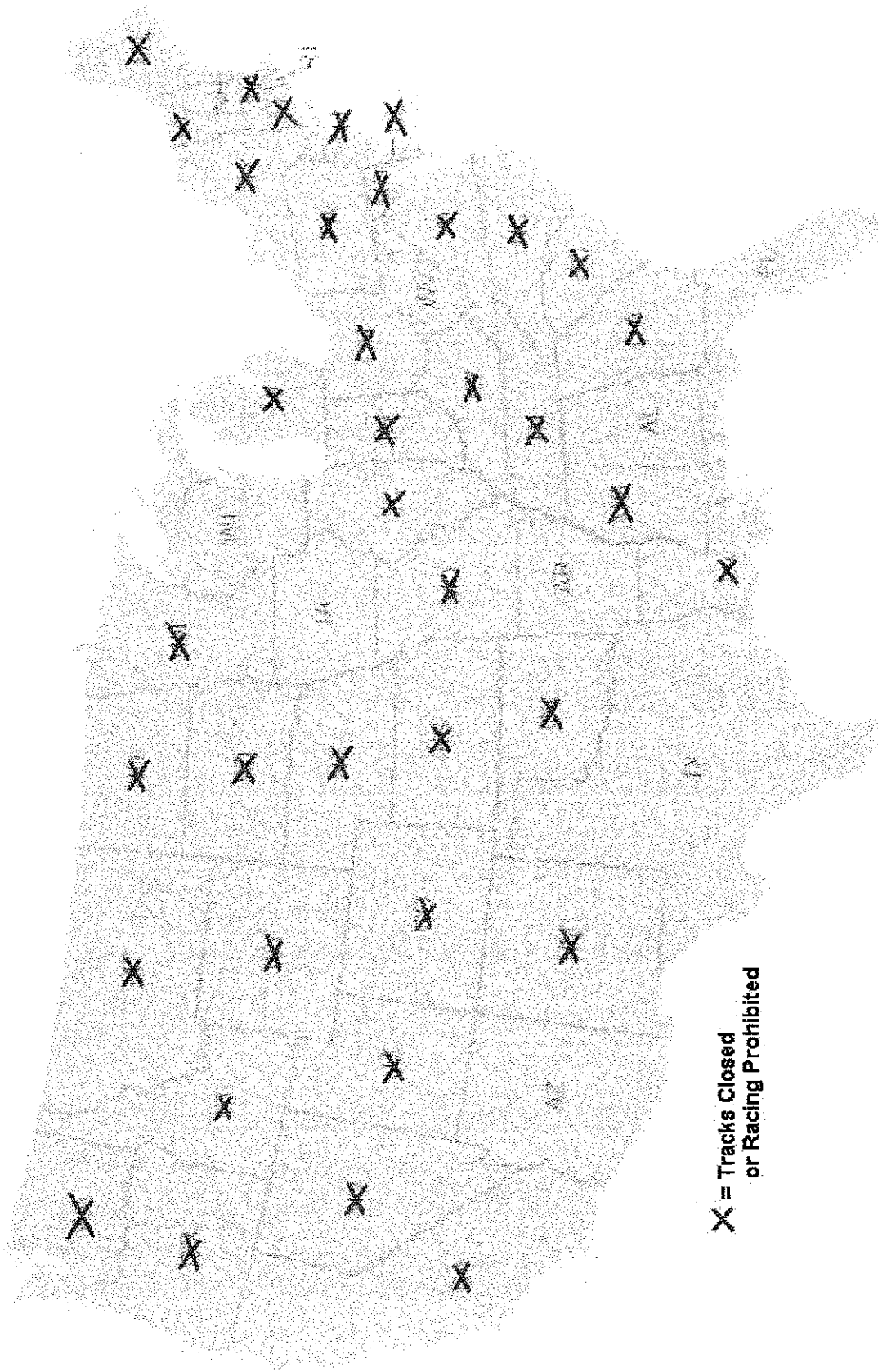
"... CGKA [Colorado Greyhound Kennel Association] vice president Gary Bryan is a retired schoolteacher who has been racing greyhounds for the past 24 years...."

He estimates that three-fourths of the association's members are losing money. Many of them could not survive a four-month winter layoff because the cost to feed and care for the dogs can run between \$2,000 and \$3,500 per week...."

### Slow Times for Dog's Fast Tracks by Terry Frei, Denver Post August 16, 2007 :

"... On Saturday night in 2007 a total of \$110,827 was wagered on Mile High's 12-race card. On the Saturday night card for Aug. 16, 1980, Mile High's mutuel handle was \$558,704. The track no longer announces attendance (on Monday, about 300-400 fans showed up); the attendance for that night in 1980 was 6,810..."

# USA Live Greyhound Racing In Decline (As of February 2009)



**30% of Tracks Nationwide Have Closed in the Last Four Years**  
(14 Tracks have closed since 2004)

Source: GREY2K USA

## Quotes From

### Bill would eliminate live racing at state greyhound tracks By John Koziol Laconia Citizen Wednesday, February 18, 2009

"Saying it's "inherently inhumane" as well as a money-loser for the state, supporters of House Bill 630 are hopeful that it will pass in the Legislature and subsequently see the phasing-out of greyhound racing in New Hampshire over the next two years..."

...HB630 would allow the state's existing greyhound tracks — The Lodge at Belmont and Seabrook Greyhound Park — to continue to offer wagering on races that are simulcast from tracks around the country...

...Trombley said HB630 was practical because it would lessen some of the state's loss of revenues in a difficult economic time...

... Trombley said the state loses \$10,000 annually in overseeing live greyhound racing while LaFlamme noted that greyhound racing has long been subsidized by the state and that at just about one percent of the net revenues generated, it pales in comparison to the revenues brought in by simulcast wagering

In 2008, the three dog tracks in New Hampshire — the track in Hinsdale shut down in December — had a total "handle" of \$116 million in bets wagered, of which only \$1.7 million was bet on live racing, while the rest was from simulcasts...

**... "All we're saying is, why are these dogs running in circles when we're losing money?"**

With greyhound racing on the decline in New Hampshire, the economic argument against HB630 has lost some steam, said Trombley and LaFlamme, because the live racing would perish of its own accord eventually..."

### Culp offers one up for the dogs Posted by Mary Ellen Klas St. Petersburg Times [FL] Blog February 13, 2009

"Animal lover Rep. Faye Culp admits she doesn't know much about the bill that's coming out of bill drafting under her name except that **by allowing dog tracks in Florida to operate without being required to race** it could mean "there won't be as many dogs racing..."

...She said she was asked to sponsor the bill by Miami Republican David Rivera...

...The Senate sponsor is Eustis Republican and 2010 candidate for agriculture commissioner, Sen. Carey Baker....

... if the bill gets momentum, it could help struggling greyhound race tracks like Flagler Dog Track and Entertainment Center in Miami or Tampa Greyhound Track in Culp's hometown. Flagler is among those struggling. The company reports a drop in profits of 20 percent in four years, a testament to the immense competition now coming from the casinos at Broward County's parimutuels and the Seminole Tribe's Hard Rock casino...

**...The future, many in the greyhound industry acknowledge, is perceived to be more in line with casinos than dogs.**

But the legislature required the tracks to continue to race dogs at the same rate they always had in order to get the casinos..."